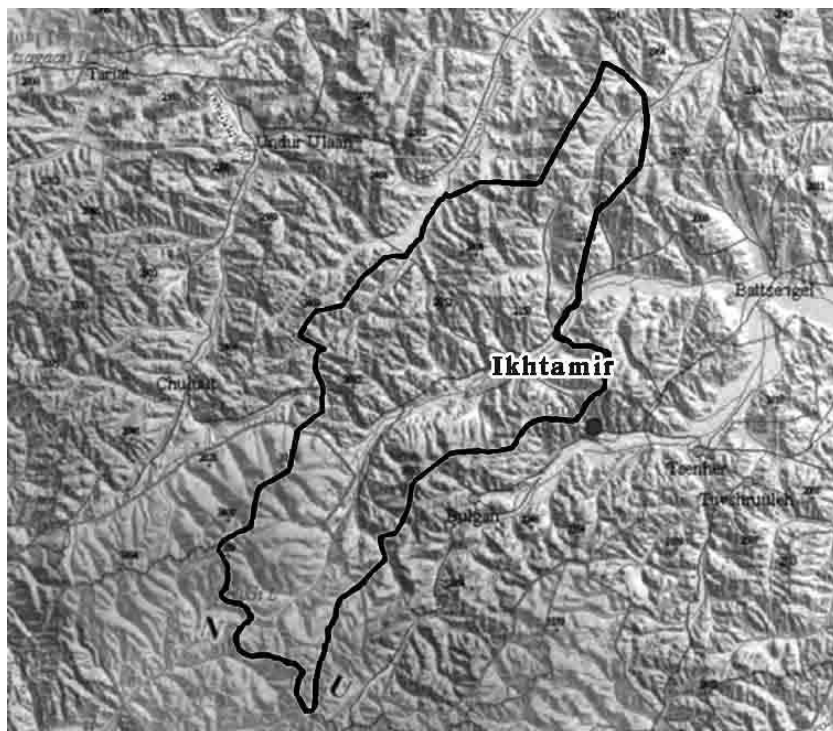

SOUM ECONOMIC DEVELOPMENT STRATEGY 2007 – 2015



Zaankhoshuu, 2007



Open Society
Forum



Local Government &
Public Service Reform
Initiative



Center for Policy
Research



Ikhtamir soum

This strategy has been written by the soum administration and the soum core team with the input and contribution of soum citizens, representatives of public institutions and enterprises with advice from the Open Society Institute, «Local Government and Public Service Reform Initiatives», the Open Society Forum and the Centre of Policy Research. The OSI, LGI and OSF take no responsibility for the content of this strategy.

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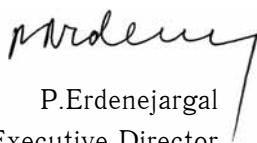
Foreword

Some of the foremost development goals for transition economies, like Mongolia, include creating favorable business-enabling environments for the newly emerged private sector and designing integrated, multifaceted and self-committing plans for local economic development (LED).

Over the last year the Open Society Institute and Open Society Forum have initiated a process in 4 Mongolian soums to build local stakeholders' capacities to better plan and manage future development needs. This process, called «Developing Economies Locally through Action and Alliance» (DELTA), was adapted from previous OSI and World Bank experiences in Eastern Europe. The principle idea was to bring together large segments of the local population, including the government, the private sector and civil society to analyze possible opportunities, create a vision, goals and objectives and then to elaborate specific and prioritized projects and steps to achieve that vision.

This strategy document which you have in front of you, and the implementation process that has been initiated, are two of the primary tangible outcomes of the project. What is less visible are the new partnerships for development that have been formed at the soum level and the new way in which the soums are «doing business», i.e. in a more inclusive and participatory fashion. The planning methodology can and should be applied to various other decision-making processes in future.

We would like to avail of this opportunity to express our gratitude to the people of Ikhtamir soum, Arkhangai aimag, as well as the Center of Policy Research and all other experts who contributed to the successful development of this strategy.



P. Erdenejargal
Executive Director
The Open Society Forum



Scott Abrams
Deputy Director
Local Government and Public Service
Reform Initiative
OSI-Budapest

Acronyms

DELTA	«Develop economy locally through alliance and action»
LEDS	Local economic development strategy
LBES	Local business environment survey
SME	Small and medium enterprise
SEDS	Soum economic development strategy
SGO	Soum Governor's Office
SCRKh	Soum Citizens' Representative Khural
PSCRKh	Presidium of the Soum Citizens' Representative Khural
OSI	Open Society Institute
OSF	Open Society Forum
LGI	Local Government and Public Service Reform Initiatives
CPR	Centre of Policy Research

Vocabulary

Aimag	A rural highest administrative unit (province)
Soum	A mid-level administrative unit under aimag
Bag	The lowest administrative unit under soum
Negdel	Agricultural cooperatives that existed during the centrally planned economy and ceased to exist from early 1990s
Ger	A traditional dwelling known elsewhere as yurt or tent
Khashaa	An enclosure/fence in ger district put around certain land plots to separate one from other



Governor's address

To perceive the perspectives of socio-economic development of our soum in the mid-term future, we need to understand where we are today, to know where we are going to be in the years to come. A unique window of opportunity has been allocated to Ikhtamir soum, to be a site for the OSI/OSF «DELTA - Develop economy locally through alliance and actions» project.

This OSI/OSF development initiative provided financial and technical support and day-to-day supervision of the process of the creation of a mid-term economic development strategy of our soum.

While working with DELTA, we discovered that stable public-private partnerships, stakeholder cooperation, and participation are the best tools to identify priority problems, the implementation of which can lead to the progresses the soum stakeholders envisaged. The DELTA project taught us to move away from our previous practices of the local development planning towards one entirely based on local participation and commitment. Thus, the tools that enhance public participation like consultation, collective decision-making and open debates were heavily exploited. Throughout the process of strategy development, the newly established community structures – the Planning Commission and Working groups played three crucial roles: administering the process, decision-making and ensuring stakeholders' participation.

The LED strategy of our soum that is a product of joint and hard effort of the soum stakeholders and the core team has 38 stakeholder-identified projects for the improvement of the soum business-enabling environment attached with 24 ideas, which are predicted to be the main directions to promote the future of business development in our soum.

Taking this opportunity, we would like to express our greatest and warmest gratitude and appreciation to OSI, OSF, CPR and the staff of these organizations who facilitated the process of creation of the LED strategy of our soum, for their hard and committed support and supervision

The expectations among the soum citizens from the strategy are exceptionally high, which means that we have to work hard to mobilize all our resources and strengths to overcome our weaknesses and threats that may block the vision we aim at. Even though not all our expectations can be fully realized. Our promise to our community and the partners who support us in achieving the strategic targets for the improvement of business enabling environment in our homeland drives us to do our best to bring together all resources and capacities we possess at this moment.

The strategy is a product of and owned by our community. In this context, it concerns priority problems and constraints for the improvement of business enabling environment, which will trigger progress and advancement in the stabilization of economic growth, expansion of SMEs, reduction of poverty and unemployment, environmental protection, and the heightening of living standards for our citizens. This therefore propagates a common belief that the probability of a successful implementation of the new economic strategy will be high.

The shortage of discretionary government funds and low availability of other financial sources has been one key reason that the development of businesses and services in rural areas especially in our soum has been weak. It is well known that short-term and short-living measures are proven unlikely to support and promote continued economic growth.

It is worth taking this opportunity to express our commitment and to welcoming all valuable incentives and initiatives taken by donors, investors, financial and civil organizations to cooperate with the soum societies and assist them in advancing our soum economic development strategy.

Z. Ichinkhorloo
The Soum Governor

Introduction

As part of nationwide socio-economic reforms in Mongolia, the soum administration and businesses must pay more attention to and further expand upon the current development-oriented changes in the life of Ikhtamir soum and work to distribute evenly the benefits of development to all stakeholders.

New development goals have given the soum communities the task of strengthening the capacity of local businesses to compete for new markets as the basis for future prosperity. The soum economy has experienced strong progress over the years of the transition to a market economy. Prior to the transition, production and services in the soum were fully dominated by large state and cooperative owned businesses, which now have been taken up by private small and medium economic entities.

The time has arrived to initiate strong measures and real action to attract investors and donors to help finance economically sustainable development at the soum level. There is a great need to deepen the partnerships between local government and private sector with an eye towards improving local business-enabling environment. The public services and regulations enacted by soum government and associated public organizations must respond to the challenges facing local businesses and allow them to actively work towards the advancement of the local economy.

Local administration and communities face enormous challenges to bring new concepts and approaches to create sustained economic growth, activate soum businesses and improve the quality of life of soum citizens through heightened competitiveness and productivity of local businesses.

An effective soum must work strategically to maintain and empower existing businesses as well as to create an environment for the development of new businesses and sustainable investing. This is a serious challenge for communities to work together to find effective ways to make better use of existing resources and define the priority areas, which serve as the vehicle for bringing more products and services to local and neighboring markets and the backbone for designing a complete mid-term strategy for the development of soum economy. This approach has been identified as the best means for the soum to use its potentials and resources cohesively and coherently to achieve the goal of sustainable economic development.

Throughout the exercise, a core principle to work with local societies in close interactions through wider participation of soum people was strictly followed so that there are good correspondence and interrelations between the goals and objectives

as well as the projects of the strategy and the commitment and preferences of partners and stakeholders. In this way, the work on the designing a soum economic development strategy went well. Similarly, it was ensured that each portion of the different categories of stakeholders has its part in the progressing of soum economy and quality of people's life.



COMMON ISSUES OF THE SOUM LED STRATEGY

1.1. Importance of the soum LED strategy as a guideline document

The completion of the task of designing this LED strategy was the direct result of the timely and responsive assistance provided by DELTA to our soum. The importance of the strategy development process can best be described as «the soum administration, businesses and citizens being provided with the unique opportunity to talk to anyone and any organization on a variety of issues concerning the priorities and challenges of soum economy, without being red-faced». The complete and enhanced document «Mid-term strategy for economic development of Ikhtamir soum» that illustrates local concerns and commitments can serve as a guiding document in a broad spectrum of talks and interactions.

Prior to the commencement of the DELTA project the need to revise and re-formulate the conceptual and strategic issues concerning the future of soum development was not completely new to soum government. For many years however, this had been a great challenge for the soum administration and organizations engaged in local public services. While the issues of improving the quality, availability and efficiency of public services, the environment for enabling growth of local businesses and streamlining the efforts of government to better support local businesses had been brought to the table; the lack of well-guided methodological and professional support and information regarding the most efficient and feasible ways of formulation of long-term development strategies had been a serious stumbling block to development.

The soum government had previously made efforts to diversify local businesses into different markets and to bring about cooperation between administration and private sector. However, the means and approaches taken were simply not effective. The immediate task was to revitalize local economy and set up mechanisms that streamline economic development towards more sustainable operation and wider cooperation.

In the current situation, local businesses find it difficult to expand and diversify their businesses and almost every attempt to open new business ends in failure. One common reason often given is the lack of reliable financial sources to support business growth. Nevertheless, a weak business-enabling environment has a considerable amount of negative impact on the viability of existing and new businesses.

Regardless of the difficulties, it is time for the soum government to move away from its previous position as an inactive observer or direct interventionist and make a decisive shift to be partner and initiator, providing legal and official support to the development of local businesses to promote economic growth, new jobs and a higher quality of life.

The experiences and lessons from the process of designing the soum LED strategy confirms that the soum government is fully capable of integrating various business communities and promoting local stakeholders applying various forms of cooperative techniques. Now the motivation, support mechanisms and new mentality is available, to create efficient regulations and business organization.

The soum LED strategy developed through joint and committed inputs of the implementing agencies and our community symbolizes the future prosperity of our soum.

1.2. Background and Justification

The soum LED strategy that has been developed, with the commitment and active participation of soum communities and represents the outcome of their cooperative effort, seeking the closest and most feasible ways of participatory identification of the priority and future direction concerning the improvement of the local business enabling environment. The realization of such outstanding issues will lay the foundation for stakeholders to access the benefits of strategy implementation.

The techniques that have been developed by the soum government to implement the local development policy are powerful factors that will bring direct and indirect measurable effects on the quality of the services to foster the utilization of internal opportunities/strengths and managing the external favorable situations and maintenance/diversification of existing businesses and attract investments.

The goal of any good government is to serve to create a favorable environment that is accessible equally to all businesses and local stakeholders. In this respect, the size of business is not that factor which links the business-enabling environment with local businesses. Therefore, a single principle had been strictly followed throughout the development process of the soum LED strategy, which is that the soum government should work and cooperate with individuals and enterprises engaged in production, processing and services without any discrimination in the basis of the ownership and size.

The LBES and SWOT analysis, which were developed prior to the strategy, provided the soum administration with valuable information and data. The findings represented local views and perceptions about the current situations and ideas concerning the future directions of soum economic development. The strategy is, therefore the result of joint and committed efforts of both the soum administration and community and represents a synergy of the dreams and desires of local people and institutions on how to reach a greater level of economic well-being.

In designing this strategy, a number of important and influential factors of the region such as the human and natural resources, current and future economic prospects and cultural and historic heritage were taken into a careful account and consideration. Finally, attempts to bring every opportunity in the strategy that is allocated by the comparative strengths of our community and commitment of soum citizens were made.

The legal basis for the creation of a soum economic development strategy is clear and reflected in the major laws of Mongolia. Local self-governance powers are sanctioned by the Article 8.1 of the Law of Mongolia on «Administrative and Territorial Units of Mongolia and Their Administration», which states that «the administration of

administrative and territorial units are empowered to organize problems associated with the local economic and social life on their own», ...»soum and district Citizens' Representative Khural shall be entitled to debate and make appropriate decisions on local economic and social, and organizational issues». Article 18.2.1 of the same law permits local government to take a leading role in local development planning saying «approve long and short-term directions of territorial economic and social development and amend such directions».

It would have been impossible to create this strategy without the tremendous support and input of the private sector. The process created great expectations among the soum citizens, inducing a common understanding that all stakeholders who have contributed to the design of the strategy should be aware of their responsibility for the materializing the local expectations with successes and likely outcomes from the strategy.

All citizens, businesses and the local administration sincerely hope that the strategy, which represents the fruits of our cooperative effort, will be successfully implemented. The responsible allocation of existing resources, capacities and strengths will help us achieve our vision, through the successful implementation of our community-defined development and business promotion directions, so that the community could share the benefits.

The mid-term soum economic development strategy of Ikhtamir soum was approved by the decree of the session of the SCRKh of June 27 2007. The Representatives expressed their satisfaction that the strategy has covered all the spheres of the outstanding development areas of the creation of favorable environment for soum business development.

1.3. The philosophy behind the soum LED strategy

The overall theme of the strategy has been designed to facilitate efforts and participation of local stakeholders for the improvement of the local business-enabling environment and the identification of the primary directions in which donors and investors can best address local needs with assistance and support. The soum LED strategy has been developed from the local knowledge of the soum government, businesses and public to address the immediate and long-term challenges that hinder improvement to the business-enabling environment.

The methodology utilized at each stage of strategy development draws on the most modern concepts of local economic development.

The major approaches of the Ikhtamir soum LED strategy are:

- To improve the quality of public services and to achieve constant economic growth through strong links between the development strategy and all levels of the soum community.
- Based on local knowledge and ideas, the community determines projects that could be pursued by the soum government to facilitate the expansion of existing, and creation of new, businesses through improved environment for business development.
- Provide tangible examples to the community on how the process of creating a long-term community vision, with goals and objectives can be set as a strategy through the collaboration and creativity of local decision makers and communities.
- Among local communities, create a common understanding and acceptance of LED planning as a tool that leads local stakeholders towards the promotion of local economic progresses and creative participation and contributions
- To provide local businesses and public service providers with the opportunities and potential to utilize the strategy as a community-devoted tool to approach potential donors and investors who can provide sources of financial and technical assistance
- Create an environment that fosters by a collaborative climate, enables transparent and effective governance and responds to the needs and challenges of the community for the development of a prosperous economy and businesses.



PART 2

THE PROCESS OF DEVELOPMENT OF THE SOUM LED STRATEGY

The soum LED strategy development process followed a strict methodology, which enabled us to take advantage of various means of encouraging a wider and more committed participation of soum citizens. The community at large was able to take part through the LED structural units, consultations, and general discussions. The voices of different segments of society were heard and taken into consideration through grassroots participation, which allowed us to find a common and comprehensive solution to the issues preventing sustainable economic growth in our community.

2.1. Guiding principles

The guiding principles for the successful creation of the strategy were:

- Economic growth and business development must be balanced with challenges in social life, environmental protection and quality of life of all citizens in the community.
- The local government has a role to play in the improvement of the climate for local business development and investment.
- Facilitate public-private collaboration and partnerships to develop sustainable economic growth.
- Application of a holistic approach towards strategic planning that is institutionalized at the soum government level
- Give as much importance to sustaining existing business as to the attraction of new business as both are the key to sustainable economic growth.
- Focus more attention to mobilization and utilization of internal resources and strengths rather than relying totally on external resources for development.
- Use a participatory approach as a collective decision-making tool to pursuing soum economic development policies and strategy

2.2. Methodology

The core DELTA methodology was developed and widely applied by the World Bank and OSI/LGI to the design of economic development strategic plans for several communities in Kosovo and Albania. This methodology is considered the best and most systematic among other methods for managing the LED process; ensuring a consensus among the soum community for well-grounded development of a vision statement, goals and objectives and individual development projects that specifically support the business enabling environment.

The basics of the methodology that applied to the design of the soum LED strategy rested upon the coordination of local efforts and resources towards achieving sustained economic growth and better quality of life of soum citizens through creation of a well-balanced environment for advancement in local business development.

2.3. Organizational Approach and Regulation

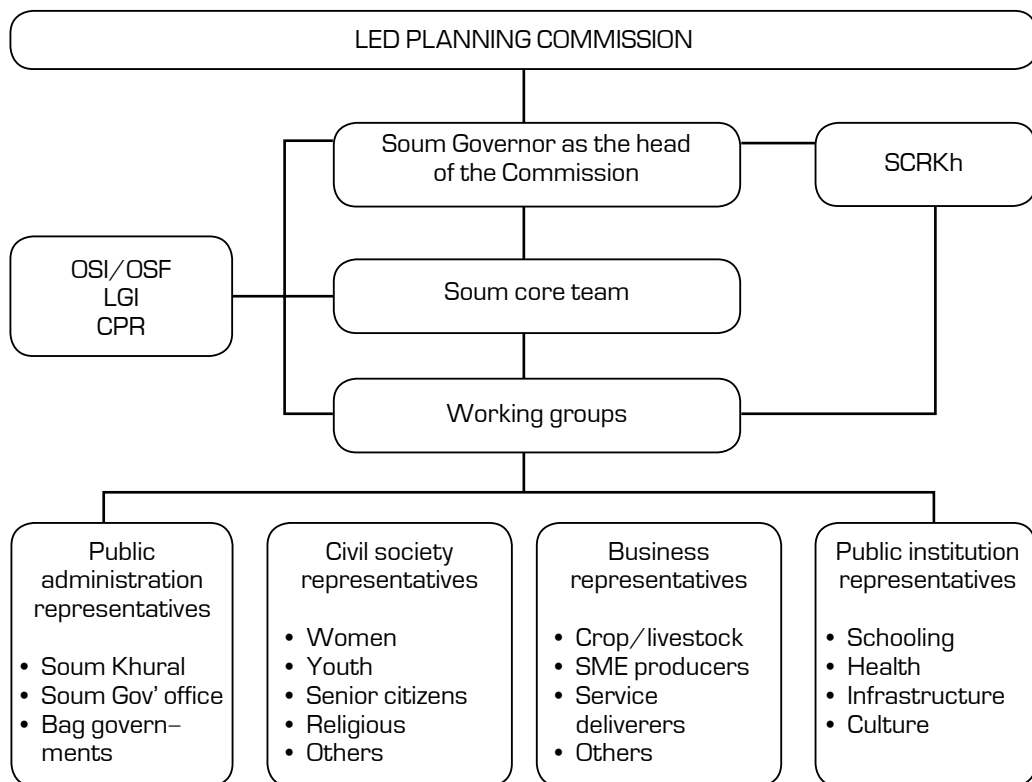
The organizational approach applied to the strategy development was devoted to ensuring a partnership-based participation of the soum administration and representatives of local stakeholders through a direct and institutionalized process.

This participation was enabled through the establishing of an institutionalized structure, which is responsible for development, implementation and monitoring of the soum LED strategy and sanctioned either by the soum Khural or the Governor.

The Planning Commission. The Planning Commission was set up by decree #6 of the soum governor of January 24 2007. This Commission headed by the soum governor is the main decision-making body for all issues related to the design, supervision and monitoring of the implementation of the strategy. The Commission includes the most experienced and committed citizens and served as a good environment for fruitful discussions, consultations and efficient decision-making. Apart the governor, chairman of soum Khural and members of the soum core team, the Commission includes 2-3 people from each of the working groups, which are underneath of it.

The Commission played a lead decision-making role throughout the process; developing reviewing and approving the strategy each step of the way. It will continue to remain active over the lifespan of the strategy as a coordinating body. Apart from being the body largely involved in the coordination of the design of LED strategy, the

Representation of local stakeholders in soum LED strategy development process



Commission played an important role in ensuring broad and committed participation and dialogue between different layers of public and private establishments.

The Ikhtamir soum Planning Commission included:

- | | |
|---|--|
| <p>1. Z.Ichinkhorloo
Soum Governor, member of soum Khural</p> <p>2. V.Dagviikhorol
Director, High mountain research station</p> <p>3. M.Odontuya
Representative, State Treasury</p> <p>5. B.Naymtseren
Representative, Senior citizens' association</p> <p>7. A.Daambazar
Soum coordinator, SDC «Green Gold» project</p> <p>8. N.Osorbazar
Nature and environment protection inspector</p> <p>9. V.Mukhlaash
Head, Governor's office</p> | <p>10. S.Zoright
Head, Culture Centre & leader, soum youth association</p> <p>11. G.Altantsetseg
Owner, «Mogoi gol» private veterinary cooperative</p> <p>12. D.Narangegerel
Head, Soum secondary school</p> <p>13. D.Naymjargal
Governor, Taikhar bag</p> |
|---|--|



Soum core team: A nucleus body that played and will continue to play crucial roles in the development of the soum LED strategy and ensuring its implementation is the core team. The team served as the working organ to interact with the DELTA management and the executing agency and the local stakeholders and other partners interested in and committed to the development of the soum.

1. **Z.Ichinkhorloo**
Team leader, Soum governor
2. **V.Dagviikhorol**
Director, High mountain research station
3. **B.Odontuya**
Representative, the State Treasury
4. **I.Ouyunchimeg**
Representative of soum businesses
5. **B.Tuvshintungalag**
Manager, Soum business development office



The Working Groups. There are set up four working groups advisory to the Planning Commission, involving representatives of key stakeholders. One of the members of the core team heads each group. The idea of establishing four groups was to bring an extended presentation of the local stakeholders in the process. In our case, the working groups acted a liaison body between the grassroots and the soum DELTA management.

Public Administration Representatives:

- | | |
|---|--|
| <ol style="list-style-type: none"> 1. Z.Ichinkhorloo
Soum Governor 2. J.Dashzeveg
Chairman, soum Citizens' Khural 3. N.Semjidperenlei
Governor, Erdenetolgoi bag 4. T.Ganbold
Governor, Bort bag 5. Ts.Sengee
Governor, Khukhnuur bag 6. D.Tegshjargal
Nature and environment protection inspector 7. Ch.Tegshjargal
Governor, Bugat bag 8. B.Batnasan
Governor, Khan-Undur bag | <ol style="list-style-type: none"> 9. V.Mukhlaash
Head, Governor's office 10. N.Zorigtbaatar
Head, Citizens' Khural, Bugat bag 11. O.Altantaria
Accountant, Governor's office 12. D.Naymjargal
Governor, Taikhar bag |
|---|--|



Business Representatives:

- | | |
|--|--|
| <ol style="list-style-type: none"> 1. I.Oyuntsetseg
Trade entrepreneur 2. D.Yadamdorj
SME entrepreneur 3. M.Doljinsuren
SME entrepreneur 4. M.Lkhamragchaa
Head, Petrol station 5. D.Renchenjugder
SME entrepreneur 6. S.Amarjargal
SME entrepreneur 7. B.Delgersaikhan
Head, Power distribution station | <ol style="list-style-type: none"> 8. S.Dolgormaa
SME entrepreneur 9. D.Turbat
Head, Telecom soum branch |
|--|--|



10. **N.Munkh-Erdene**

Representative, Khas bank

11. **D.Lonjidsuren**

Owner, veterinary cooperative

12. **D.Lkhagvasuren**

Director, «Shine Urguu» LLC

13. **B.Lkhagvasuren**

Member, «Ar Chandaga» cooperative

Public Service Representatives:1. **V.Dagviikhorol**

Director, High mountain research station

2. **D.Narangegerel**

Head, Soum secondary school

3. **N.Narantsetseg**

Head, Soum hospital

4. **J.Baasansuren**

Nature and environment protection officer

5. **D.Sharkhuu**

Researcher, High mountain research station

6. **M.Purevdorj**

Staff, Water control

7. **D.Narantuya**

Nature and environment protection officer

8. **B.Tungalagsaikhan**

Manager, Soum business support centre

9. **M.Purevdorj**

Staff, Water control

10. **B.Ouyunbileg**

Medical doctor, Bugat bag

11. **Ch.Altantsetseg**

Owner, «Mogoi gol» private veterinary cooperative

12. **S.Zoright**

Head, Culture Centre & leader, soum youth association

**Stakeholders' Representatives:**1. **M.Odontuya**

Soum representative, the State Treasure

2. **Yo.Erdenebat**

Food & agricultural officer

3. **N.Lkhagvajaw**

Researcher, High mountain research station

4. **Ts.Enkhbayar**

Secretary, soum Citizens' Representative Khural

5. **A.Darambazar**

Head, «Arivjikh Saijrah» NGO

6. **Sh.Ouyunjargal**
Researcher, High mountain research station
7. **G.Badarch**
Senior citizens' association
8. **D.Delgermaa**
Local trainer, World Vision
9. **O.Nyamtseren**
Herder, Taikhar bag
10. **J.Byambadorj**
Teacher, Soum secondary school
11. **E.Onon**
Demographic officer, Governor's office

2.4. Stakeholders' Participation and Consultation

For a long time, the local government and community has been faced with a critical challenges to develop long-term and well-conceptualized soum economic and business development directives that are SMART and locally-accepted. However, the methodology of strategic planning was not understood, and the techniques for attracting wide and committed participation from soum stakeholders were not well developed. The great majority of local people considered development planning a responsibility of the local administration and did not believe they could contribute to the process.



Measures were taken from the inception stage of DELTA implementation, to raise local awareness and commitment to contributing to the development process. The local business-enabling environment survey and SWOT analysis were pioneering activities, involving a broad range of local citizens, businesses and civil society. In addition, a large number of public awareness promotion activities were undertaken through public media. Because of this effort, an overwhelming majority of soum citizens had access to and gathered information about the DELTA project. This created tremendous awareness and promoted local interest in the project.

All together, over 50 people representing the soum administration, businesses, public services, donor-sponsored projects, and local NGOs were directly involved in the process. The continued efforts to involve more people and organizations in the soum LED strategy development brought about changes in the mentality of the local society making them feel true ownership over the project and its outcomes.

2.5. Business Enabling Environment Survey

The best analytical tool available for looking at the current status of soum socio-economic development, its competitive advantages and challenges is the implementation of the enhanced local business enabling environment survey (LBES) supported by locally-valuable statistical data.

The LBES survey, which included 41 groups of questions designed to identify local perceptions of the business development and the environment in which the local businesses are operating as well as collect data concerning the basic spheres of the soum economic and social life over the last 5-10 years. The LBES data, served as the main source for the conclusions developed in the subsequent SWOT analysis.

The private sector, through the LBES, identified the current role that the government plays in soum economic advancement and ensuring a favorable business environment.

The areas upon which the survey focused were:

- (i) to gather data, materials and evidence that will help to understand this primary concerns of local businesses;
- (ii) to collect data that qualifies the existing strengths and weaknesses in soum socio-economic life and the problems local businesses face in attaining growth of their businesses.
- (iii) to track local views and perceptions to be familiar with the needs and challenges of improving business enabling environment.

It is worth to notice that the soum stakeholders paid attention to ensure arrangements for the creation of LED strategy were in place at all levels. The wide involvement of local stakeholders in the survey and inclusion of their suggestions and perceptions in different components of the soum LED strategy facilitated the process of achieving a common understanding with reference to the needs of local development. The concerns and perceptions of business groups will and remain a strong influence on the soum economic growth are incorporated in the soum LED strategy.

The findings of the LBES also serve as long-term guidelines for soum economic development based on strong public-private partnerships and regular monitoring and revision of the strategy.

2.6. SWOT Analysis

A comprehensive SWOT analysis was undertaken to compile the findings of the LBES and to draw viable conclusions for the current and future situation of soum economic development and to determine strategic options for the solving problems related to the business-enabling environment. The SWOT analysis touched upon the main problems that soum businesses have encountered and assessed the potential solutions to those issues that may appear in positive and negative manners through SWOT combinations. This approach resulted in the identification of the most specific and feasible directions for development and served as the background for the design of a soum economic development strategy.

The SWOT analysis led to the identification of strengths and opportunities as strategic perspectives to achieve better results. Appropriate activities to overcome potential weaknesses and treats were identified and drawn out. The findings of the SWOT analysis are the baseline source of information for the detailed review of the soum economic development and local business-enabling environment and for the creation of this development strategy.

The creation of the SWOT analysis relied on the analysis of soum statistics and the stakeholders' meetings, where the LBES findings were presented and discussed. Identification of the four elements of the SWOT matrix in relation to the public service and local business development became important to devise SWOT combinations: «Strengths-Opportunities», «Strengths-Treats», «Weaknesses-Treats» and «Weaknesses-Opportunities». The outcomes of this exercise served as the foundation on which the «Vision-to-Project» matrix was developed.

2.7. Vision, goals, objectives, programs and projects

Vision statement: The vision statement reflects the commitment and long-term desires of the community and represents the destination that wishes to be in the future. The vision also guides the community towards achieving the goals and objectives of the strategy. The vision statement advocates how the implementation of the strategy could be arranged based upon the status of socio-economic development, economic capacity, natural resources, business experience, traditions and customs as well local culture.

It also provides the soum administration and citizens with a clear direction to promote and mobilize resources effectively. The vision succeeded in generating wide

mid-term insights and perceptiveness on the local development, which guarantees a better Coverage of the components of the strategy along with their feasibility, and achievability. Attempts were made to identify specific things that would verify the statement to show that the vision has its roots in the economic, natural, cultural and historical realities. It should be noted that the vision is flexible and can be revisable to reflective changes in the community as the strategy is implemented.

Goals: The local economic development strategy is about creating improvements that are measurable in both spatial and time dimensions. The design of the strategic goals aimed at helping the soum community decide how to formulate the outcomes of the strategy through predictable and measured changes and improvements. The first step in goal development was to determine the overarching means that will lead to the successful realization of the vision. The goals are grounded in the common and specific aspects of soum economic development and clearly identifying the feasible priority directions for the strategy. A great deal of emphasis was given to the goals so that they would provide a solid link between the vision and objectives.

Objectives: The objectives represent important tools that lead to the vision via the goals and that connects the goals with the programs and projects. The objectives set the targets and performance standards that are used for the evaluation and monitoring of the overall implementation of the strategy as well as the individual sets of goals and projects. The objectives are direct continuation of the goals. The objectives help the community to seek ways to overcome weaknesses, exploit opportunities and deal with threats identified in the soum economic assessment.

Programs: The strategy includes a number of programs, which represent a group of similar projects that are together to achieve particular objectives, e.g. they are directly aimed to fulfill objectives. The programs are identified as an intermediate level that connects objectives and specific projects. The programs in the strategy can be latterly converted into large development programs by incorporating projects.

Projects: A conventional strategic plan, as a rule ends with an activity plan. In our case, the projects are derivatives of the programs and represent the last chain of the whole Vision-to-Project matrix. Each of the projects include a project fiche, where its overall details are outlined: project description, expected outcomes, potential contributors, preconditions and risk factors, approximated costs and predicted financing sources. The procedures of the selection of the projects were multilayered. The core team and the Planning Commission with active input of the Working groups, compiled the initial proposals, and were in charge of the overall oversight and finalizing of the projects. A total of 38 projects with their fiches are included in the soum LED strategy.

Local Business Promotion Directions: In the view of the importance of local enterprise development for soum economic growth and community development, the strategy devoted some room accommodate local ideas for potential specific business creation. The economic development strategy has an attached a list of 24 specific directions. The ideas about the directions came from different groups of the local communities through the Working groups, consultation and public meetings.

2.8. Expected Outcomes

The DELTA strategy is expected to produce a number of direct and indirect outcomes. The major benefits are:

- The strategy will guide the soum Khural and governor's office when making annual budget proposal so that the contribution by the soum can be earmarked in the annual budget plan.
- Public-private partnerships to arrange co-financing of key projects of the strategy strengthened
- Responsibilities/roles and activities to be undertaken by organizations and agencies in the framework of the implementation of the soum LED strategy facilitated and supported
- Locally-applicable arrangements for the continued evaluation and monitoring of the implementation of the strategy adopted and maintained
- Lobbying and negotiating with potential donors and investors interested in or being involved in projects improved
- Local resources and potentials for the soum economic development identified and exploited
- Business and business enabling environment information networking improved and sustained
- Capacity of public service organizations and quality of services they offer improved

2.9. Strategy Implementation and Management

The strategy represents an official document for the soum government, organizations and businesses to direct them on key development policies and actions. It is evolving document that requires regular review and updating. The process of the development

of the LED strategy of Ikhtamir soum has gone through four key stages, which will continue throughout the implementation.

1. Activation of financial resources and allocation of funds
2. Realization of public-private partnerships
3. Timed monitoring and evaluation, and
4. Reviewing and updating

The timeframe for the implementation of the strategy is far longer than the political mandate of soum government. In this sense, the success of the strategy is directly dependent, on how newly appointed government will exercise its continued mandate and sustain participation of local stakeholders.

As the main body responsible for the implementation of the strategy, the soum government will make its best efforts to find and allocate funds for the financing projects. The government will handle updating and amending the strategy with new proposals and it will be in charge of getting approval of such improvements from the soum CRKh.

The soum administration will therefore be responsible for coordinating implementation of both the strategy and individual projects and make sure that the strategy is reviewed and monitored. Lobbying donors, international organizations and central government for funds financial sources and technical support will remain as the key task for the government.

As the community sees more progresses in the implementation of the strategy, their interest and willingness to participate will increase. Therefore, regular review and evaluation over the status of the implementation of the strategy will be conducted with the community so that the strategy can address new requirements and challenges. Since the project is a product of the soum community, the duty to conduct E&M will be rested with the soum administration with stakeholders' participation. The role of the Planning Commission is also of extreme importance.

The Planning Commission reviews and evaluates the strategy implementation. The Commission will hold 1-2 meetings annually to discuss the annual report by the leader of the core team, E&M findings, and approve and make necessary amendments. The Planning Commission will hold a general meeting to prepare an annual strategy implementation report and proposal to update the strategy to present to the soum CRKh for approval. Even though the composition of the Commission may change, the responsibility to coordinate the overall implementation of strategy will not.

The governor's office will be fully and directly responsible for the implementation of the strategy mainly through:

- Support of the Planning Commission with adequate administration and logistics
- Coordinate and administration of activities of actors identified in the strategy and who become involved later during the implementation period
- Dissemination of information on strategy implementation and to solicit feedback to introduce new forms of information networking
- Conduct E&M every second year and prepare suggestions to make changes or amend the strategy for discussion by the Planning Commission followed by approval by the soum CRKh

2.10. Financing of the Strategy

Apart from seeking investment and funding from the central budget, the soum government and other stakeholders will make significant efforts to attract other financing sources through donors, investors and other potential contributors for immediate and long-term investments. Direct local investment for the implementation of project for the promotion of local business development will provide significant opportunity to raise the financial resources for strategy implementation.



PART 3

OVERVIEW OF IKHTAMIR SOUM

3.1. Historic background

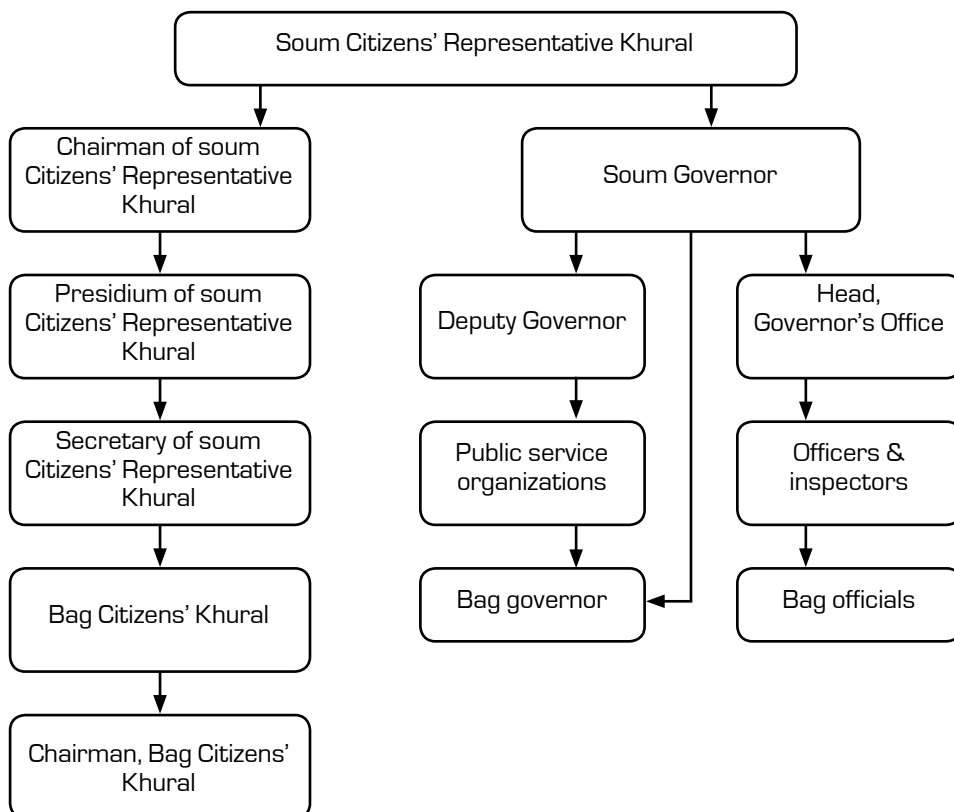
As a result of the administrative reforms in 1931, Ikhtamir soum was founded as an independent administrative unit spread over a territory of 3.4 thousand square km – a home to over 500 households. Today, it has a territory of 4.8 thousand square km and the number of resident households extends up to 1400 with a population of 5.5 thousand.

3.2. Structure and organization of soum government

The soum citizens' representative Khural, which is in power, was appointed after the 2004 local elections. It is the ruling body consisting of 20 members. The Presidium of the Khural is in charge of day-to-day coordination of the local self-governing structures under the chairman of the Khural. Ikhtamir soum has 6 bags: Khukhnuur, Khan-Undur, Bugat, Bort, Erdenetolgoi and Taikhar.

The governor's office has 26 permanent staff members: the governor, the deputy governor, the head of the governor's office, representative of the State treasury, officers in charge of food & agriculture, land, taxation, demography and policy and inspectors of nature and environment inspector and social welfare, housekeeping, the logistics staff and a driver. The public service organizations include the High Mountain Research Station, a soum hospital, a secondary school, a kindergarten, a cultural centre, a library, electric power central and water post. A veterinary cooperative operates as a private enterprise that runs the parts of government-funded veterinary services.

Organizational chart of local self-governing structures



3.3. Territory, climate and natural resource

Location and Territory. Ikhtamir soum is located in the heart of Arkhangai aimag. It borders with a multiple number of soums: to the west, it borders with Chuluut, to the north - with Undur-Ulaan and Erdenemandal to the east. The northwest of Ikhtamir soum joins Bulgan soum, Arkhangai aimag. It shares a narrow mountain border area with Galuut soum, Bayankhongor aimag.



The soum centre, which is located at the embankment of the North Tamir River, is at 27 km from the city of Tsetserleg, the aimag centre and 500 km from Ulaanbaatar

The land territory of Ikhtamir soum is stretched over the basins of Tamir and Khanui Rivers – the longish areas from the high edges of the Khangai range specially protected area to the steppe zone. It forms a unique geographic combination of the Khangai and steppe landscapes – typical Khangai in the west, transitional forest steppe in the middle and northeast.

Mountain ranges and edges make over 40% of the territory. The forested areas to the western and northern parts contain a variety of deciduous trees found in the northern hemisphere. The mean altitude, at which the soum territory lies, ranges at 1600-2527 meters above the sea level with a top peak of Gurvan Anag elevated at 3449 meters above the sea level.

The soum is rich in surface water because of its multiple rivers and creeks. There are the Tamir, Khanui, Jargalant, Ulunt and Bayantsagaan rivers, which are the main source of water for both humans and animals. A popular attraction to soum residents and visitors is an alpine freshwater lake – the Khukh Nuur (Blue Lake - 6.7 sq.km) located at 2668 meters above the sea level, - the highest water body in Mongolia. Numerous small natural lakes, ponds and temporary water accumulations can be found as well.

Climate and vegetation. The climate is sharp continental as in other parts of Mongolia: harsh with enormous ranges of fluctuations. Although Ikhtamir is known as located in the area where the climatic conditions are comparably mild, one could easily observe not only high seasonal, but sharply changing monthly weather. The latest is largely because of its high altitude topography and enormous cliffy and carved tectonic scarp formations in mountain ranges.

The parts of Ikhtamir soum stretched over Khangai range and its lower branches receive a high (in Mongolian standard) annual mean precipitation up 258 mm. The precipitation is very monomodal as 90 % comes in summer. As far as the temperatures are concerned, annual mean is a mixture, +2...-4OC. Maximum mean temperatures recorded in July are +20OC, while the thermometer measures -15...-20OC as the mean in cold seasons. The first snow comes in early September and first rain if no droughts hit may occur by mid May. Ikhtamir is known as a soum where not much snow falls; the mean thickness of snow cover normally is 5-10 cm.

The fertile top soil layer is not thick: 15-20 cm in the forest steppe and around 20-25 cm in the steppe. The fauna is rich and diverse owing to the great range of climatic, geo-ecological and topographic conditions. All main species and geneses of plants except ones grown in the Gobi desert and dry steppe can be found here. The rich vegetation supports many types of wildlife and birds resident to mountainous and hilly steppe areas.

Natural resources. It is certain that diverse natural and climatic conditions and the unique geographical location of the soum have contributed to assembling of many valuable and useful natural resources that could be exploited for either industrial or other economic and subsistence purposes. The forest, which takes 27% of the whole soum territory, represents one of the widely distributed resources where timbering and other forest-based reserves are present. Vegetation at the territory of the soum includes main plants of alpine, high and forested mountainous, steppe and swampy zones and assembles a big variety of medicinal, forage and other household usages. The reserve of wild berries and mushrooms, pine nuts, herbs is sufficient to be processed either at SME or at household. Recent local estimates suggest that the soum can annually collect and process pine nuts of 30-40 millions tugrugs and 2-3 tons of wild fruits and other plant materials.

The main mineral and non-mineral resources include deposits of coal, iron ore, chalk and high quality raw materials for construction. A private company supplies Ikhtamir and surrounding soums and the aimag center with high quality anthracite coal by exploiting a deep underground deposit of 2 million tons of coal located 20 km south of the soum centre. Ikhtamir is one of the few soums, which can develop supply of locally SME-processed construction materials to meet the aimag demand. Another promising market for such produces is the government program «40000 apartments by 2015», which has been put in effect in all aimags and soums. It would accelerate development of local SME.

The wildlife fauna found in Ikhtamir includes rare and protected carnivorous and herbivorous animals such as wild boars, red deer, mountain sheep, ibex, marmots,

forest gazelles, wolves and others. Waters of Tamir and Khanui rivers harbor all kinds of freshwater fish species found in Mongolia: taimen, arctic fish, graylings, pikes, catfish and others. Birds representing different categories: birds of prey, woodland birds and water birds may be observed. The Khangai mountain range specially protected area provides home to the overwhelming part of wildlife and birds so it might attract tourists and visitors.

Land resources. The total size of land area of Ikhtamir soum stretches over 484586 ha. The 352472 ha agricultural land portioning 72.7% of all land includes 348430 ha grazing land, 2365 ha hayland. The land suitable for arable operations is 1651 ha. The area under the special protection covers some 10400 ha. 304.2 ha land are under urban and urban fringe and land under mining is 3.4 ha. Forest and water occupies some 132440 ha.

Historical heritage and cultural sites.

The area that lies along the basin of the North Tamir River from its headwaters throughout to the confluence with the Southern Tamir River preserves many valuable sites, where rock inscriptions and carvings, graves, Khunnu tombs, man and elk rocks left by the ancient Mongolian and Turkish tribes are found. These are real attractions not only to archeologists and other researchers, but also to numerous



tourists. At the southern terrace of the Northern Tamir River, 4 km from the soum centre, there stands a scenically spectacular orphan rock known nationwide as the «Taikhar Rock». At a close distance, it looks like a man-created sculpture, mirroring onto clean river water. On that rock, archeologists and researchers found and recorded 150 different hieroglyphic and primitive writings of Uigur, Turkish and Persian periods in different languages and scripts: Manchurian, Chinese, ancient Turkish, Tibetan and Mongolian, and many other drawing-like inscriptions.

Tourism and Traveling. Since undated past, the Khangai mountain ranges, including the part falling into the Ikhtamir territory have been the sites famously attractive to tourists, travelers and visitors. National tourism companies have set up camps and bases at those sites, where most attractions exist. Today, three seasonal tourist camps operate in Ikhtamir to take advantage of the excellent natural beauty and surroundings of the Taikhar Rock, the Alpine Blue Lake and other sightseeing places. Besides, the national routes to other famous tourist sites in the northern corners of the aimag pass through the soum: the Khorgo togoo (a volcanic site) and the Suman Gol (the Arrow

River) and the Terkh Tsagaan Nuur (the Terkh White Lake) which provide favorable conditions for tourism development in this soum.

3.4. Demography: human resource and capacity

Population growth. By the end of 2006, the soum population counted for 5585 that represented 1383 families.

Years	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006
Population	6538	6059	6261	6468	6577	6127	6213	6286	5714	5585

Source: Soum statistics, 2006

Over the last consecutive two years the number of population has decreased, which in many cases is due to increased out-migration. Graduates of the secondary school along with herding families and elders, who moved to other aimags and cities, comprise the main part of the out-migrated inhabitants.

Years		1997	1998	1999	2000	2001	2002	2003	2004	2005
Births		123	182	140	145	156	144	126	124	129
Deaths		22	35	36	41	34	38	32	35	32
Growth rate	No	101	137	114	104	122	106	96	89	97
	%	82.1	75.2	81.4	71.7	78.2	73.6	76.1	71.7	75.2

Source: Soum statistics, 2006

The birth and death statistics show that the growth rate of the soum population has been positive, i.e. the number of births exceeds that of deaths. Nevertheless, the out-migration rate among the resident population remains high. This, in turn, makes the numerical population growth index negative.

Age groups	0–19	20–34	35–54	55–64	> 64	Дүн
No	2478	1411	1227	218	380	5714
%	43.3	24.7	21.5	3.8	6.9	100

Source: Soum statistics, 2006

As of 2005, youth under 20 makes 43.3% of population, whereas the share of people of under-retirement age (20-64) comprises the larger half. These figures demonstrate that the soum has enough human resources to replicate its working force in the future.

Employment. Employment opportunities in private sector over the last 10 years since 1997 could be seen from the below table.

Years	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006
Employees	2328	2314	2103	2576	2592	2408	2432	2423	2403	2432

Source: Soum Governor's Office, 2007

As compared to the total number of people of working (19-64) age, which is 2928, some 82.7% of them have jobs. This may show that the capacity of the main economic sectors to absorb job seekers has been remarkably higher than that of any other sectors. All together, 1470 entities of public and private sectors employ 2400 people.

It should be taken into account, however, that the total employment includes livestock keepers, part-time jobs, and the hidden unemployment amongst the herding population that has been persisting to exist.

Unemployment. On the contrary, the number of people registered as unemployed or active job seekers has decreased, which is in agreement with the higher employment rate.

Most of the unemployed people are residents of at the soum centre. As of 2006, men make up the overwhelming share of the soum unemployment. As the educational level of people increases, the unemployment, as a rule, seems to decline.

Years	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006
No of unemployed	182	154	96	84	68	63	55	54	49	28

Source: Soum statistics, 2006

Household income indicators. Household income figures show that low-income poor and extremely poor families make 94.6% of all families, whereas the share of well-off families is 5.4%. The population poverty data suggests that 73.9% of soum total population live in low-income households while those of poor and extremely poor households make 17.7 and 13.2%, respectively.



PART 4

REVIEW OF THE SOUM ECONOMY: CURRENT AND FUTURE

4.1. Main recent developments

In 2006, launching of new and expansion of existing businesses created 112 new jobs, which resulted in reduction of unemployment by 21%. 12 deep and 10 shallow wells were rehabilitated. The size of land cultivated under vegetables reached 6 ha and 62 herding families grew potatoes and vegetables nearby their winter camps. The well-known «Tamir White» curd was awarded a title of the national brand product.

Mr. R. Boldbaatar, the President, «Mongol Urtuu» LLC, who originated from Ikhtamir soum, donated 10 gers (1.2 million tugriqs each) to extremely poor families and homeless elders, and a set of musical instruments, which became a big and long-remembered charity event in 2006. In 2007, soum people received another large donation from the «Mongol Urtuu» LLC, which shared the costs for building a new government office.

4.2. Budget and Expenditures

The soum budget, which increased by 2.3 times in 2006 compared to 2002 has been supported by the growth of the allocations from the government budget.

In contrary to the growth of the share of central government support in the soum budget, the local revenue remains almost unchanged.

4.3. Main Outputs

Budget and Expenditures	2002	2003	2004	2005	2006
Local revenues, mln MNT:					
From local taxes	33.4	22.9	22.3	26.1	36.9
From local tariffs					19.0
Total	33.4	22.9	22.3	26.1	55.9
Total revenue from government budget, mln MNT:					
Government budget	293.6	332.7	446.5	601.3	709.9
Local budget	33.4	22.9	22.3	26.1	55.8
Total, '000 MNT	327.0	355.6	468.8	627.4	765.7
Operational costs	171.1	178.6	218.5	263.3	325.8
Pension and social benefits	160.0	180.0	254.8	368.3	449.7

Source: Soum statistics, 2006

From the table below, it is clear that the livestock sector has been in the lead in terms of its economic importance and the position it takes in the total soum GDP.

The crop sector has made a significant progress due to expansion of potato and vegetables cultivation. Manufacturing of home products has been still low.

	Outputs	Meas. unit	2002	2003	2004	2005	2006
1	Grain	tons			80	150	10
2	Potato	tons	63	72	84	100	130
3	Vegetables	tons	6.3	9.4	8.1	13.1	10
4	Natural hay	tons	3400	3500	3800	4200	4324
5	Meat	tons	1127.3	1320.1	1564.7	1012.8	1175.1
6	Milk	tons	1564.3	1758.2	1802.1	1866.8	2145.6
7	Dairy products	tons	782.1	879.1	901	933.4	1072.8
8	Goat cashmere	kg	7749	10858	10528	11081.8	12412.8
9	Sheep wool	tons	40.9	44.1	48.1	52.5	59.3
10	Skins	'000 pieces	16.8	17.5	18.6	19.6	16.9
11	Hides	'000 pieces	7.3	6.4	6.9	6.2	5.8
12	Coal	tons				2000	2200
13	Timber	cubic m	4.4	8.2	3.5	2.7	1.7
14	Sawed materials	cubic m	245	415	266	86	140
15	Vodka	liters	680	200			

Source: Soum statistics, 2006

4.4. Business Enterprises

Important figures: In total, 290 people work in 80 non-livestock business entities. The soum tax officer claims that only 53 entities are officially registered. Similarly, to the rest of Mongolia, any growth in private sector tends to be dominated by trading.

The major goals for the future development of soum economy and businesses are to improve local business enabling environment that would give support to those businesses, which are capable of creating new jobs and accumulating material and financial wealth within the soum.

	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006
No of entities	19	22	25	26	31	37	48	51	54	53

Source: Soum statistics, 2006

Grouping of business entities. According to the national criteria for classification of business enterprises, 86.7% of all existing businesses belong to the category of micro-enterprises, which corresponds to the employment-based classification of entities.

Sectors	Micro	Small	Medium	Large	Total
Agriculture	3				3
Industry		2			2
Construction			1		1
Transportation	15				15
Trading	20	4			24
Services	8				8
Mining/Tourism			2	1	3
Total	46	6	3	1	56

Source: Soum statistics, 2006

The average number of employees per economic entity is 1.6 persons. It doubtlessly confirms that the local business is fully dominated by micro-enterprises.

The business sector provides over 90% of employment. There are 2 state-owned entities involved in production.

Sectors	Public service		Private sector		Total	
	No of entities	No of employees	No of entities	No of employees	No of entities	No of employees
Livestock			1024	1931	1024	1931
Crop			43	86	43	86
Food processing			3	6	3	6
Energy, heating and water supply	1	3			1	3
Mining			1	5	1	5
Production, total	1	3	1071	2028	1072	2031
Trading			24	96	24	96
Communal service			35	102	35	102
Transportation				25		
Communication	1	4	1	3	2	7
Hotels and catering			8	24	8	24
Handcrafts			3	15	3	15
Service, total	1	4	71	265	72	244

Source: Soum statistics, 2006

Production. Including herding households, there are 1071 households and economic entities are engaged in production.

Trade and service. There are 24 trading points/shops, 3 service units, 8 bars and public catering places and 3 tourist camps, where 222 persons are employed.

Livestock.



Ikhtamir soum has 1024 herding households, which make 83.7% of all business units. This clearly shows that the economy of Ikhtamir soum has been directly dependent on livestock sector.

The number of livestock has been growing over the last 5 years by 10.0 head, annually.

As of 2006, the number of livestock per herding household in terms of sheep unit was 333.5. Although the number of animals tends to grow, the overwhelming portion of the herd growth has been because of the rapid growth of goats.

Cropping. 83 people are working in crop production. These days, potato and vegetables are cultivated on 26 ha out of total arable land. Due to halting of crop production that had been run by former negdel, there is abandoned land of 1605 ha in size. Major types of crop products harvested in 2006 are:

- Animal forage – 10.3 tons
- Cultivated feed – 15 tons
- Natural hay – 3649 tons
- Silage – 1.5 tons
- Vegetables – 6.8 tons
- Potato – 125 tons

Growth of soum livestock herd

Indicators	2001	2002	2003	2004	2005
Total herd	138179	130075	139252	152658	161028
Camels	8	8	11	10	3
Horses	17144	16212	16562	17018	15905
Cattle	26416	23886	20981	22634	24116
Sheep	57305	51224	55157	60356	65595
Goats	37306	38745	46541	52640	55409
No of livestock in bod units	369432	342943	338930	362722	371512

Source: Soum statistics, 2005

Economic potentials of bags. Non-livestock businesses are almost non-existent in rural bags. The majority of businesses are concentrated in Taikhar bag, where the soum centre is located. A fact that some bags such as Erdenetolgoi, Khukhnuur and Khan-Undur, which are rich in natural resources, lack permanently operating businesses should be taken into serious attention of the soum government.

In bags such as Bort, which are located close to the main infrastructure such as energy and central roads to which they could be linked with certain investment, the capacity for processing and services should be created in order to reduce centralization of production and services and bring those to herding population.

Distribution of herding households and economic entities in bags

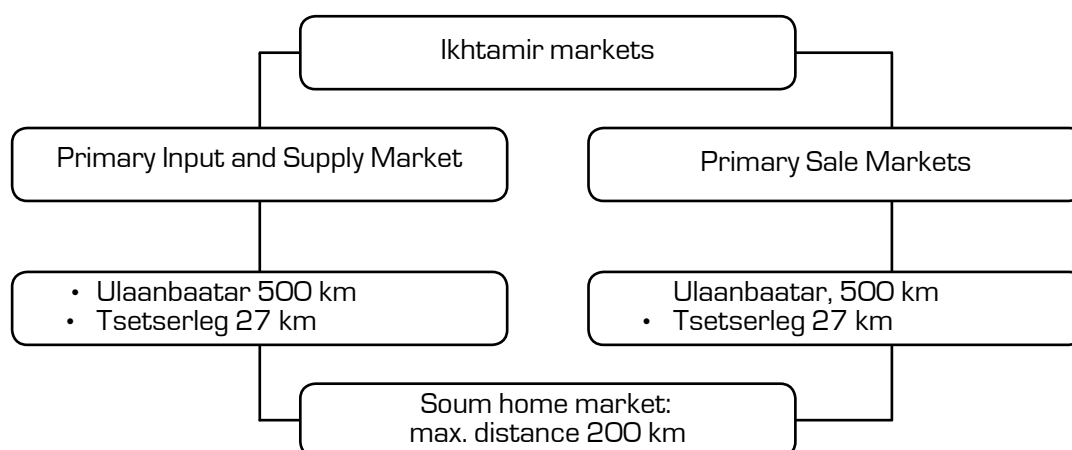
Bags	No of households	No of economic entities	Total	Percentage	
				Households	Economic entities
Erdenetolgoi	238	=	238	100.0	=
Khukhnuur	147	1	148	99.3	0.68
Khan-Undur	208	=	208	100.0	=
Bugat	235	3	238	98.73	1.27
Thaikhar	316	47	363	85.2	14.8
Bort	239	2	241	99.18	0.82
Total	1383	52	1436	100	100

Source: Soum statistics, 2006

4.5. Markets and Marketing

The marketability and types of home products and patterns of the supply markets that Ikhtamir benefits are determined by the location and patterns of local consumption and production. In many cases, agricultural raw materials and locally-processed products are sold to markets in the soum and aimag centre whereas consumer goods and other non-locally-available goods are imported from the aimag centre, Ulaanbaatar and through border trade with the city of Erliang in China.





The closer location of the soum to the aimag centre, where more people and businesses are concentrated attracts soum producers to target this market. In terms of markets, the challenges for the soum businesses are to grow soum businesses in both quantity and quality to satisfy soum market demand along with targeting other potential markets like aimag centre.

4.6. Public and other Service

Public sector employment. There are 5 different organizations and units involved in the delivery of public service with 144 employees.

Education. The 11-year secondary school is preparing for further shift to a 12-year educational program. The drop-out rate has been reduced to a significant extent and attendance of schools by children came to over 95.5%. The nearest goals in the area of improved educational service are the capital reconstruction of the main school and dormitory buildings, a need to upgrade teaching staff, provision of equipment and introduction of vocational training for basic professional skills.

	No of organizations	No of employees
Government organizations	1	30
Finance, banking	2	7
Education	1	83
Health	1	24
Total	5	144

Source: Soum statistics, 2005

Preschool education: The soum kindergarten, which is staffed with 10 personnel, has a daily capacity to receive 120 children. The attendance rate has been not exceeding 50% of all children preschool age. Preschool service is provided to children of rural herding families by offering mobile service in 2-3 locations to prepare them for schooling. Needs are to extend the spaces and refurbish the classes to improve attendance of children of preschool age.



Health service. The soum hospital employs 3 professional doctors and over 25 nurses and assistance staff. Thanks to the assistance provided by the central government and international NGOs, the hospital recently received a new ambulance car and motorcycles that made provision of services operational and accessible. In addition, the hospital arranges various activities to re-train its staff and educates local people in benefits of health insurance and healthy lifestyle. Although some progress was made, the hospital needs to upgrade its diagnostic and service capacities. In order to expand and improve its service, the hospital building needs to be reconstructed, supply of equipment and staffing improved. One of the key improvements required is to upgrade working conditions of bag doctors so that the outreach of the health service improved for timely arranged preventive measures.

Public sport and physical education. In order to support local development of various types of public and national sports, the soum has developed a soum public sport development subprogram. The aims of the subprogram are to promote and organize different annual sport activities and support talented children and adults, and conduct fitness evaluation of schoolchildren to identify the types of actions to be taken. To extend coverage of sport and public health improvement activities, it is planned to open fitness centers at school and the culture centre.

Cultural and entertainment services. The cultural centre has 6 staff to arrange a whole range of cultural and entertaining programs and activities for local people and audiences. The soum government has issued a decree to organize some measures to register and take under protection of historical and cultural sites found in the soum, to upgrade local museum and library as a part of soum-level cultural and art entertaining activities. The nearest goals in this area are to upgrade the library and the museum with new entries and improve the overall performance of the centre.

Banking and Financial services: Branches of the Agricultural, XAS and Mongol Shuudan banks operate in Ikhtamir to deliver banking and financial services to soum people. The Branches of the Agricultural and Mongol Shuudan banks offer on-line service, while XAS bank operates through its mobile service. In 2006, three banks provided loans of 620.0 million tugrugs to support local businesses and people.

4.7. Infrastructure

Electricity. People of our soum remember those 1989 summer days, when the first high voltage electricity line that connected the Ikhtamir centre to the Central electricity grid came from the city of Tsetserleg over Ar Khalzan Pass through the forest. With this, it became one of the first few soums provided with permanent energy supply.

Road. The main magisterial roads to western aimags: Uvs, Khovd, Bayan-Ulgii and Zavkhan go through Ikhtamir soum. These roads are a part of the Mongolian national infrastructure development priorities, and they represent conditions that bring more opportunities and room for improved tourism operations and services. Concrete bridges are constructed at all large rivers, such as North Tamir and Khanui, which helped to improve the key main infrastructure in the soum.

Communication. It should be noted that the cutting-edge technologies in public service and infrastructure development have been made more accessible to our soum. The pioneer activity in the soum infrastructure development after the electricity came in, was introduction of solar energy facilities with installation of which rural herding families were able to watch TV and run small alkaline batteries for ger lighting. As a result of the advancement, by 2005, some 50% of herding households possessed solar dishes to catch major national TV channels. Under the Japanese grant, installation of a short-wave distant radio communication system in all bags of all soums in the late 1990s brought a new improvement to rural areas where no other communication other than the telephone station existed. Recently, this year, the Mobicom cell phone transmission and optical fiber cable facilities have been installed at the soum centre, thanks to which the internet became a nearest reality.

4.8. External relations and donor activities

Ikhtamir is a landlocked soum, which experiences many difficulties to develop its external relations and foreign trade. Thanks to the efforts put by the soum

administration to establish relations with China, the soum became a soum of Mongolia-China friendship in 2006. Apart from this, 2 programs and 10 projects supported by various donors are being implemented in the soum, providing some financial and investments sources.

- The program «Green Gold», funded by the Swiss Agency for Development and Cooperation, which is the largest donor activity, has been implementing a rich variety of activities in our soum to support to the improvement of livelihoods of herding population through better community-based grazing management.
- A significant support provided to the improvement of supply of drinking and animal water by digging 10 hand wells with hand pumps and 3 engine-operated wells.
- The project arranged establishing 14 grazers' associations/groups in 5 rural bags. The contest it has made to promote herders' establishments towards extended participation in activities on the optimized utilization and conservation of pasture resources and prevention from further degradation and support efficient incentives and actions among the grassroots has been successful.
- A soum herders' association has been founded, which the project has provided with a working space and car.



Through financing and supporting the above mentioned activities, the «Green Gold» project has made an investment of some 100.0 million MNT over the last three years.

- The IFAD «Rural Poverty Reduction Program» is one of the active donor-supported activities, which covers many different areas of rural livelihoods.
- Invested over 30 million MNT to reconstruct buildings of soum hospital, bag primary school and the centre of Bugat bag and to upgrade the conditions for working and service delivery.
- Under the program, there have been established informal herders' groups to promote cooperation among herders. Groups involved in crop activities receive tractor and seeds.
- Activities have been taken to make space available for training, and supports to small-scale income generation activities like sewing, cafeteria, photography, hairdressing.

- The program supported drilling 7 deep and short-case wells investing some 70 million MNT. «JCS», an international NGO supports 80 poor households in growing vegetables at 5 ha land with its «Family cropping» program. The 2006 harvest was 60.3 thousand kg and earned 23.0 million tugrigs.
- The «World Vision» provided potato and vegetable seeds and tools to 140 large (with many children) poor families to grow vegetables in their khashaa. Those families earned 5.2 million tugrigs by selling 13.7 tons of vegetables they harvested in 2006. It also donated 16 gers to homeless families.
- «Prevention of tuberculosis in humans», a joint WHO/World Vision project that was launched in 2005 supplied the soum hospital with diagnostic laboratory equipment and medicines against tuberculosis.
- «Save the Children», an international NGO, assisted children of 195 poor families to make contacts with families in South Korea.
- A Japanese-funded «Mongol Medicine» program provides service for the distribution of traditional medicines and drugs to 500 herding families in 6 bags
- A Swiss Development Corporation initiative to promote herders involved in tourism works with a number of selected families under a «Ger to ger» program, which enabled some families make income of 250.0-470.0 thousand tugrigs during one tourist season.
- «Sustainable Livelihood», a World Bank-supported program bought motorcycles for the doctors of bags.
- OSI/OSF DELTA project, which was launched in 2006 in cooperation with the LGI, has been successful to develop the soum LED strategy. This project has provided financial and technical expertise for establishing a soum business development office in 2007. A large project included in the LED strategy, which selected for a full funding, has now entered into its inception phase.



PART 5

THE SOUM LED STRATEGY



5.1. The LBES and its findings

The LBES was one of the key activities undertaken as a part of the process of creation of soum LED strategy. This survey was commissioned in August-October 2006. The survey aimed at collecting basic information that needed for the designing a LED strategy and strengthening local capacity to gather current status of the local economic, business development, and problems that challenge the local stakeholders. The findings of LBES and SWOT analysis were presented to stakeholders' meeting and consultations. The comments and recommendations were incorporated in the LED strategy.

Participants:

- The survey covered 50% out of 53 business entities and individuals and 5.0% of 1024 herders, by which it achieved an average soum stakeholders' participation of 6.7%.
- 16 owners of businesses and 2 executive directors and managers, 6 other staffs and 60 herders participated
- As classified by the types of businesses engaged, 50% of the participants are engaged in livestock production, 5.0% in crop production, 6.0% in home SMEs, 26.0% in trading and 9.0% in other sectors
- 40% of businesses and herders who responded to the survey have been working for 5, 28.7% for 6-12, and 33.3% for 10 and more years
- 82.2% of business entities and herding households whose representatives participated in the survey have up to 5 employees and 17.8% with 6-50

Soum business expansion. 75.6% of the participants in the LBES commented that the businesses they are currently engaged have been expanding. This shows a general tendency for business growth in the Ikhtamir soum.

Availability and accessibility of markets. Over 90% of businesses and all herders commented that their products and services are sold to markets and consumers within the soum and aimag. Local businesses have a little presence in the national and regional markets. Because of easy access to large markets, selling business to aimag centre however motivates cash outflow.

Local view of the future of businesses. Almost 2/3 of the respondents are in no doubt that, their business will grow and flourish in the future. This is a sign that the local businesses are psychologically and mentally confident.

Local demand of skilled and professional labor. An equal number of businesses and herders (58.3% of both groups) commented they face shortage of well-trained and skilled labor for their businesses to expand and grow. This provides the soum government with an orientation to launch a well-planned program for training of skilled workers locally. Local stakeholders identified marketing, business management, computing, financial accounting/record keeping and local capacity building in main business areas as most required.

Business competition. The soum businesses anticipate that they need to be more competitive to penetrate both soum and aimag centre markets. They recommended soum government to initiate strong public measures to strengthen competitiveness of local business through creation of new soum brand products following the local experiences as the «Tamir White Curd» holds the lead position being the national brand.

Interest of future business expansion and creation of new business. The participants are interested expand their business and raise the marketing through:

- 22.0% to increase the volume/quantity of outputs and delivery
- 17.7% to improve the quality of products and services
- 10.6% to adapt locally feasible elements of intensification
- 53.7% to create new business

Assistances provided by business and professional associations. 2/3 of business and herders who contributed LBES commented that they receive no substantial and actual help and assistance from any associations so as their business to grow. As the case for other soums involved in DELTA project, these establishments never come to herders.

Interests to future business expansion. The share of participants who wish to expand their businesses within the soum is 78.6% of the participants, while the others are interested aimag centre as appropriate. 29.8% believes an expansion of their business can be achieved by improving quality and introduction of intensification, and 40.5% - by expanding in size.

Main difficulties and challenges, that new and existing business may encounter. According to the participants, the most important difficulties that new and exiting business may encounter are the shortage of finances followed by low purchasing power of consumers, poor availability of spaces to accommodate business and service as well as insufficient support of the soum government. Apart shortage of financial sources, herders see reduced availability of grazing and water sources and insufficient market skills as the important hurdles.

Assessment of the impacts of cooperation between local government and businesses. Although the time different groups of local business stakeholders spend in cooperation with the soum administration seemed to be opposing (5 days for businesses and 39 days for herders), they are confident that this is fully acceptable. The time, which businesses spend is extremely short, whereas it takes too long for herders does not agree with the reality. Nevertheless, it challenges to strengthen public-private partnerships for better LED development in the future and take important measures to upgrade awareness of citizens about the effective ways and mechanisms of delivering public services.

Performance of soum administration negatively affects business. It was found that the measures implemented by soum administration on the local business-enabling environment have had not much serious and unfavorable on soum business

development. However, local businesses say that they experience some degree of negative affects caused by the time-consuming public service, high service fee, undue overlaps in existing rules and regulations, and lack of efficient regulations to regulate unfair competition at soum markets.

The soum administration must enact policies to support local businesses. The participants want to see the soum government working on upgrading existing and creation of new infrastructures of both national and regional/local importance, training and demonstration, improve the performance of civil servants and review business rules and regulations.

Factors, which affect business activities and growth. According the soum businesses, roads and supply of electric energy to rural bags and producers are the most important and influential factors for the business growth, whereas the availability of spaces for accommodating businesses and services and capacity of business support services were commonly assessed as important. Herders argue that factors such as secure pasture tenure, livestock thieving and prevention of crimes with negative social consequences and small corruption are influential for the herding business.

The most rapid growing sectors:

- Livestock
- Trading
- Tourism non-soum entrepreneurs own
- Education
- Crop
- Transportation

The factors most facilitating the most investment:

- Stable and upwards population growth
- Better educational and professional level of soum population
- Skills and experiences of hosting and managing implementation of various types of programs and projects
- Developed infrastructures with potentials to expand in the future
- Opportunities for expanded small businesses in services

The slowest growing sectors:

- Communal service
- Health service
- Animal health and herd improvement
- Pasture water improvement and supply

Assessment of business-enabling environment. Those respondents who see improvements in the soum business-enabling environment shared 45.6%, whereas the same percentage is of the participants who fail to observe noticeable changes. A large percentage of herders (15%) commented that the business environment in the soum has been stumbling by external factors, which are out of control of soum government. The latest makes these two indicators equaling.

Banking service. The quantity of loans provided by the branches of two main banks operating in the soum has been increasing.

Зээлийн эх үүсвэр, сая төг	2001	2002	2003	2004	2005
• XAAH bank	30.0	45.0	60.0	120.0	200.0
• XAS bank	0	0	20.0	80.0	120.0

However, practice to lend cover small needs among citizens and businesses has been on the rise, while business loans do not yet sharp increases.

Weaknesses that may destruct stable business growth:

- Alcoholism
- Violation of public order and safety
- Unemployment, poverty
- Livestock theft, crime
- Poor responsibility and mental set up
- Small corruption (claimed by herders)

Contribution that local stakeholders may offer to implementation of LED strategy:

- Improved tax payment
- Creation of new jobs
- Increased outputs of goods and services
- Donation and charity actions
- Participation in protection of nature and environment
- Improved quality of livestock and crop products

5.2. SWOT Analysis

Based on the findings of the survey on business enabling environment, a SWOT analysis was undertaken. Through the SWOT analysis, internal and external factors

that enable local economic and business development were identified with four basic elements of the SWOT matrix; strengths and weaknesses and opportunities and treats. In order to refine the most sound and applicable conclusions, which could serve as the grounds for drafting the soum LED strategy, all findings were analyzed through SWOT combinations, where 4 elements crosschecked against each others.

LBES-based SWOT Analysis

Internal		Гадаад орчны	
Strengths	Weaknesses	Opportunities	Threats
<ul style="list-style-type: none"> The soum government makes enough time for the businesses to work with it Interest and commitment of local businesses either to expand their business or to launch new businesses are high The contributions to the soum economic development provided by soum businesses remain fair Soum unemployment rate is of a moderate level, with a slight trend to decline Scope and benefits of measures of fighting poverty in the soum has been extending Number and coverage of locally-arranged training with the assistance of external institutions tends to expand Local capacity to run traditional production and service businesses is good The skills and practical experiences of businesses are in conformity with the current businesses and activities they are engaged 	<ul style="list-style-type: none"> Low and poorly-networked integration and being responsible for issues and problems of LED as the key LED action Poor and unsustainable assistances in business information by soum administration and specialists Actions that could be arranged by soum for the formalization of the legal status of business units and groups lagging behind The cooperation and collaboration of businesses is not well-shaped and institutionalized as required Weak supports for the diversification of income generation opportunities and non-traditional spheres of business development No noteworthy reduction of unemployment and poverty among soum population achieved Poor commitment and participation of soum businesses and herders in LED measures and activities Initiatives and commitments of soum businesses to access public and other services, which are locally available are poor and unmotivated Poor and insufficient coordination and regulation of soum businesses put by soum administration Weak intervention of soum government in unfair business and resource-use competition 	<ul style="list-style-type: none"> Better development of main government-owned hard infrastructures (electricity and roads/communication) and facilities Close location of input and sale markets along with better outlets Sufficient markets within soum and at the aimag centre Good opportunities to compete for other large markets if appropriate ways and strategic accesses of such markets secured and attained Indigenous and local businesses willing/interested to invest LED if right motivations and environment made available Probabilities of coming in domestic investment are comparably advantageous Opportunities of receiving LED supports benefits from donor and international programs and project are better used 	<ul style="list-style-type: none"> No budget and sources allocated from the central and local budget for public service delivery and local development investment Poor support by high level bodies and civil societies in the better implementation of relevant laws and legislations and other legal acts Main input markets for valuable and sophisticated materials are remote Inappropriate terms of crediting (high interest rate, short repayment period and small amount) Poor acceptance and full ignorance of actual values of local assets and livestock by banks as collaterals Trends that the competitions for markets at aimag, neighboring aimags/soums, regional and national levels to build up stronger Opportunities to attract foreign investments through serving as project sites may become negotiable

Internal		Гадаад орчны	
Strengths	Weaknesses	Opportunities	Threats
<ul style="list-style-type: none"> • The possibilities required for expansion of current businesses and launching new businesses are available and adequate • Banking service at soum level has been extending • Sufficient and widely available resources for better development of livestock and crop businesses • Excellent historical and cultural opportunities for attraction of foreign and domestic tourism • Marketable and well-known brand products • Adequate geographical and spatial locations enabling outlets to markets • Fair capacity and experiences of soum administration and specialists • Possibilities and needs for cooperation with soum administration and specialists • The extending scope and outreach of national programs and projects • Well soum retained and committed production-oriented and locally well-known business enterprises • Stable population growth with producing sufficient portion of new labor force 	<ul style="list-style-type: none"> • Bureaucratic attitudes in public service and business relations persist to exist • Occurrence of crimes and unlawful actions not fully eradicated • Poor educational and professional backgrounds of unemployed people • No evident-rich results in the improving livelihoods of soum poor and extreme poor households achieved • Poor availability of professional and best skilled labor force • Insufficient activities on professional and skill-updating training and other activities • Poor capacity of SME businesses to take and cope with risks • Herding businesses are highly vulnerable to risks and poor in the capacity to recover from risks • Poor impacts of the fast growing sectors on creating accumulation of assets and resources to accelerate LED and economic growth • Insufficient implementation of national and local development programs underway • Lack of legal basis and opportunities/possibilities to adapt and re-adopt common rules and regulations to local conditions • Poor realization of main laws/legislations affecting SLED strategy • Poor interests and commitments and unacceptable inactiveness of local citizens to make better use of well-developed hard infrastructure 	<ul style="list-style-type: none"> • The probability of further upgrading of those infrastructures that would donate better LED development is expectably high. • National and international programs/projects are interested to select the soum as deserving institutional base • Valued sites meeting basic requirements in economic basis, infrastructure, natural beauties and geographic location for international development activities 	<ul style="list-style-type: none"> • High and increasing demand causing poor availability of investment that could be allocated by internal and external sources • Poor support of non-traditional subsistent economic sectors and activities • Poor links to receive supports and assistances from business and professional societies • Lack of operational and well-functioning civil societies

5.3 Vision-to-Project Matrix

VISION: Become a lead developing soum, with favorable conditions for social, economic and human development facilitated by preserving natural beauty and ecological balance of the home area of the legendary «Taikhar Rock» and harmonized development of manufacturing and services

Goals (G)	Objectives (O)	Programs (Pr)	Projects (Pt)	No
G1: Conserve and protect untouched nature and ecological balance	G1:O1: Extend from 5% to 30%, the coverage of measures of protection of forest and water resources by 2015	G1:O1:Pr1: Protect forest and water resources	G1:O1:Pr1:Pt1: Extended community participation in protection of natural water sources	1
	G1:O2: Reduce by 30%, the degraded pasture of 104.5 thousand ha by 2015	G1:O2:Pr1: Improved grazing management	G1:O1:Pr1:Pt2: Rehabilitation of heavily damaged pine and birch forests G1:O2:Pr1:Pt1: Developing a soum program "Pasture co-management based on herders' groups and grazing associations"	2
			G1:O2:Pr1:Pt2: Undertaking a hydrological survey and mapping of resources for improved pasture water	3
				4
G2: Perfect the public and social welfare services to satisfy human development	G2:O1: Fully eliminate current 5% drops of secondary school age children by 2015	G2:O1:Pr1: Upgrade the capacity of soum schooling service	G2:O1:Pr1:Pt1: Reconstruction of buildings of soum secondary school and kindergarten and upgrading their facilities	5
			G2:O1:Pr1:Pt2: "Skilled teachers – Qualitative education"	6
			G2:O1:Pr1:Pt3: Establishing a centre for professional training and information	7
				8
	G2:O2: Reach a full supply of equipment to soum hospital by 2015 that has been 70%	G2:O2:Pr1: Upgrade conditions for the delivery of health service	G2:O2:Pr1:Pt1: Upgrading of equipment and facilities of the soum hospital	9
			G2:O2:Pr1:Pt2: Improvement of working conditions of bag medical doctors	10
			G2:O3:Pr1:Pt1: Establishing a complex sport centre	11
			G2:O3:Pr1:Pt2: Reconstruction of building of soum cultural centre and upgrade its facilities G2:O3:Pr1:Pt3: Holding festival of folk culture and public sport	12

Goals (G)	Objectives (O)	Programs (Pr)	Projects (Pt)	№
G2: Perfect the public and social welfare services to satisfy human development	G2:04: Bring the access of rural postage and communication service up from 20% to 60-80% by 2015	G2:04:Pr1: Promote communication and information networking	G2:04:Pr1:Pt1: Extension of post services to rural population	13
			G2:04:Pr1:Pt2: Set up a mobile phone service networking for rural bags and herding communities	14
	G2:05: Increase from 5% to 30%, the current housing rate of soum centre citizens and civil servants by 2015	G2: 05:Pr1: Improve housing conditions	G2:05:Pr1:Pt1: Improvement of housing of soum civil servants	15
			G2:05:Pr1:Pt2: Introducing an mortgage credit for improved housing for soum citizens	16
	G2:06: By 2015, achieve 90% satisfaction of social welfare service, which is being 60% (to be identified by public)	G2:06:Pr1: Community-satisfied social service	G2:06:Pr1:Pt1: Introduction of locally-applicable social welfare service management	17
			G2:06:Pr1:Pt2: Soum program of supporting livelihood of vulnerable groups	18
G3: Create circumstances that would promote accelerated development of the traditional and modern production sectors and tourism	G3:01: Bring from 2 to 40, the numbers of intensive livestock and subsidiary farms by 2015	G3:01:Pr1: Promote intensive livestock farming development	G3:01:Pr1:Pt1: Developing a model of integrated livestock and crop farming	19
			G3:01:Pr1:Pt2: Initiate a soum movement "Subsidiary farming – to households"	20
			G3:01:Pr1:Pt3: Development of a soum program of increased production and processing of animal feed	21
			G3:01:Pr1:Pt4: Development of a soum program "Improvement of the quality of stud male stock"	22
	G3:02: Increase 5% to 20%, the industrial processing of agricultural products and raw materials and natural resources by 2015	G3:02:Pr1: Develop processing SMEs	G3:02:Pr1:Pt1: Survey on marketability and processing of soum-produced agricultural products and raw materials	23
			G3:02:Pr1:Pt2: Holding fair / s of soum best products each year	24
			G3:02:Pr1:Pt3: Making a resource mapping of mining deposits and construction materials	25
			G3:02:Pr1:Pt4: Design and implement a soum program "Partnerships for Development"	26

Goals (G)	Objectives (O)	Programs (Pr)	Projects (Pt)	No
G3: Create circumstances that would promote accelerated development of the traditional and modern production sectors and tourism	G3:03: From 2007, achieve an annual 10% increase in the numbers of tourist visited the soum, that accounts for 300 over the last seasons	G3:03:Pr1: Promote tourism and holiday making visits	G3:03:Pr1:Pt1: Development of a soum tourism development business plan	27
			G3:03:Pr1:Pt2: Rehabilitation of ancient craft on Taikhar Rock	28
			G3:03:Pr1:Pt3: Extending involvement of herders in "Ger-to-Ger Tourism Scheme"	29
			G3:03:Pr1:Pt4: Set up a zoned tourist service	30
G4: Attraction of investments for infrastructure development and upgrading soum center facilities	G3:04: Increase access of trading and communal service from 30% in 2006 to 50% by 2015	G3:04:Pr1: Improve trading and communal service	G3:04:Pr1:Pt1: Open up a specialized food market	31
			G3:04:Pr1:Pt2: Support establishing a united trading and communal service center by allocating spaces in a building that owned by local government	32
	G4:01: From 2008, increase the volume of investments in infrastructure development that equals 5% of annual soum public budget, by 20% each year	G4:01:Pr1: Upgrade local infrastructures	G4:01:Pr1:Pt1: 30 km improved road that connects Tsetseleg (Iaimag centre) and Zaankhoshuu (Ikhtamir centre)	33
			G4:01:Pr1:Pt2: Connecting the centre of Bort bag to the central electricity grid	34
	G4:02: Earmark and dispose up to 10% of annual soum budget revenue for the upgrading soum centre	G4:02:Pr1: Upgrading soum centre	G4:02:Pr1:Pt1: Development of general development plan of the soum centre	35
			G4:02:Pr1:Pt2: Upgrading of soum centre streets and reconstructing lights	36
			G4:02:Pr1:Pt3: Reconstruction of the Demid Janjin square at soum centre	37
			G4:01:Pr1:Pt4: Collecting and processing of solid wastes disposed by soum centre dwellers	38

5.4. Project Implementation Matrix

Project No	Project title and code	Value	Financial contribution						Partners		Implementa- tion timeframe			Status	Target groups
			Mn MNT	US \$	Soum		Central Government		Donors		Start	Complete			
					%	mln MNT	%	mln MNT	%	mln MNT					
1	G1:01:Pr1:Pt1: Extended community participation in protection of natural water sources	33.4		3.0	1.0	1.0	0.4	97.0	32.0	Donors	2007	2010	SF	Citizens	
2	G1:01:Pr1:Pt2: Rehabilitation of heavily damaged pine and birch forests	20.0				10.0	2.4	90.0	17.6	Gov	2007	2010	SF	Citizens	
3	G1:02:Pr1:Pt1: Developing a soum program "Pasture co-management based on herders' groups and grazing associations"	20.0				50.0	10.0	50.0	10.0	Herders	2007	2015	IS	Herders	
4	G1:02:Pr1:Pt2: Undertaking a hydrological survey and mapping of resources for improved pasture water	4.5				14.3	1.5	85.7	3.0	Donors	2008	2009	SF	Herders	
5	G2:01:Pr1:Pt1: Reconstruction of buildings of the soum secondary school and kindergarten and upgrading their facilities	24.4		3.3	0.8	2.5	0.6	94.2	23.0	Donors	2007	2008	FA/ SF	Citizens	
6	G2:01:Pr1:Pt2: "Skilled teachers – Qualitative education"	10.5		19.0	2.0	4.8	0.5	74.2	8.0	Donors	2007	2008	SF	Citizens	
7	G2:01:Pr1:Pt3: Establishing a centre for professional training and information	2.4				25.0	0.6	75.0	1.8	Donors	2007	2015	IS	Citizens	
8	G2:02:Pr1:Pt1: Upgrading of equipment and facilities of the soum hospital	13.0						100	13.0	Donors	2008	2012	FA/ SF	Citizens	
9	G2:02:Pr1:Pt2: Improvement of working conditions of bag medical doctors	5.0		20.0	1.0			80.0	4.0	Donors	2008	2012	SF	Herders	

Project No	Project title and code	Value		Financial contribution						Partners		Implementa- tion timeframe			Status	Target groups
		MNT	US \$	Soum		Central Government		Donors		Start	Complete					
				%	mln MNT	%	mln MNT	%	mln MNT							
10	G2:03:Pr1:Pt1: Establishing a complex sport centre	24.0		12.5	3.0	12.5	3	72.2	18.0	Donors	2009	2011	SF	Citizens		
11	G2:03:Pr1:Pt2: Reconstruction of building of soum cultural centre and upgrade its facilities	25.6		9.0	2			91.0	23.6	Donors	2007	2008	SF	Citizens		
12	G2:03:Pr1:Pt3: Holding a festival of folk culture and public sports	4.0		25.0	1.0	25.0	1.0	50.0	2.0	Gov	2008	2015	SF	Citizens		
13	G2:04:Pr1:Pt1: Extension of post services to rural population	9.0		44.4	4.0	22.2	2.0	33.4	3.0	Gov	2007	2008	SF	Herders		
14	G2:04:Pr1:Pt2: Set up a mobile phone service networking for rural bags and herding communities	25.6				39.1	10.0	60.9	15.6	Donors	2007	2010	IS	Herders		
15	G2:05:Pr1:Pt1: Improvement of housing of soum civil servants	260.0				100	260.0			Gov	2007	2012	SF	Citizens		
16	G2:05:Pr1:Pt2: Introduction of a mortgage credit for improved housing for soum citizens	2.8		10.7	0.3			89.3	2.5	Donors	2008	2012	SF	Citizens		
17	G2:06:Pr1:Pt1: Introduction of locally-applicable social welfare service management scheme	14.0		14.2	2.0	3.5	0.5	82.1	11.5	Gov	2007	2009	SF	Citizens		
18	G2:06:Pr1:Pt2: Soum program of supporting livelihood of vulnerable groups	4.0		30.0	1.2			70.0	2.8	Donors	2008	2009	SF	Citizens		
19	G3:01:Pr1:Pt1: Developing a model of integrated livestock and crop farming	20.0						100.0	20.0	Donors	2007	2013	SF	Herders		

Project No	Project title and code	Value		Financial contribution						Partners		Implementa- tion timeframe			Status	Target groups
		MNT	US\$	Soum		Central Government		Donors		Citizens	Donors	Start	Complete			
				%	mln MNT	%	mln MNT	%	mln MNT							
20	G3:01.Pr1.Pr2: Initiate a soum movement "Subsidiary farming to households"	14.0		14.2	2.0			85.7	12.0	Citizens		2007	2010	SF	Herders	
21	G3:01.Pr1.Pr3: Development of a soum program of increased production and processing of animal feed	10.0		30.0	3.0			70.0	7.0	Donors		2008	2011	FA	Herders	
22	G3:01.Pr1.Pr4: Development of a soum program "Improvement of the quality of stud male stock"	25.0		20	5.0			80.	20.0	Donors		2007	2010	SF	Herders	
23	G3:02.Pr1.Pr1: Survey on marketability and processing of soum-produced agricultural products and raw materials	5.0						100.0	5.0	Donors		2007	2008	SF	Businesses	
24	G3:02.Pr1.Pr2: Holding annual fair/s of soum best products	5.5				5.2	0.3	94.5	5.2	Donors		2007	2015	SF	Businesses	
25	G3:02.Pr1.Pr3: Making a resource mapping of mining deposits and construction materials	7.0		11.4	0.8			88.6	6.2	Donors		2009	2010	SF	Businesses	
26	G3:02.Pr1.Pr4: Design and implementation of a soum program "Partnerships for Development"	5.4		24.0	1.3			76.0	4.1	Donors		2007		SF	Businesses	
27	G3:03.Pr1.Pr1: Development of a soum tourism development business plan	2.0		10.0	0.2			90.0	1.8	Donors		2007	2008	SF	Businesses	
28	G3:03.Pr1.Pr2: Rehabilitation of ancient craft on Talkhar Rock	1.8		33.3	0.6			66.7	1.2	Donors		2007	2008	SF	Citizens	
29	G3:03.Pr1.Pr3: Extending involvement of herders in "Ger-to-Ger Tourism Scheme"	35.0		71.4	25.0			28.6	10.0	Donors		2007	2008	FA	Herders	
30	G3:03.Pr1.Pr4: Set up a zoned tourist service	2.7		37.0	1.0			63.0	1.7	Donors		2009	2010	SF	Tourists	

Project No	Project title and code	Value		Financial contribution						Partners		Implementa- tion timeframe			Status	Target groups
		MNT	US \$	Soum	Central Government		Donors		Donors	Start	Complete					
					%	mln MNT	%	mln MNT								
31	G3:04:Pr1:Pt1: Open up a specialized food market	35.0		14.3	5.0	14.3	5.0	71.8	25.0	Donors	2007	2008	SF	Citizens		
32	G3:04:Pr1:Pt2: Support establishing a united trading and communal service center by allocating spaces in a building owned by the local government	18.0		33.3	6.0			66.7	12.0	Donors	2010	2011	SF	Businesses		
33	G4:01:Pr1:Pt1: A 30 km improved road that connects Tsetserleg (aimag centre) and Zaankhoshuu (lkhtamiir centre)	650.0				100	650.0			Gov	2007	2009	IS	Citizens		
34	G4:01:Pr1:Pt2: Connecting the centre of Bort bag to the central electricity grid	10.0				50.0	5.0	50.0	5.0	Gov	2007	2008	SF	Henders		
35	G4:02:Pr1:Pt1: Development of a general development plan of the soum centre	5.6		10.7	0.6			89.3	5.0	Donors	2007	2008	SF	Citizens		
36	G4:02:Pr1:Pt2: Upgrading of the soum centre streets and reconstructing lights	9.7				20.6	2.0	79.4	7.7	Donors	2007	2008	SF	Citizens		
37	G4:02:Pr1:Pt3: Reconstruction of the Demid Janjin square at soum centre	8.7		25.2	2.2	34.4	3.0	40.2	3.5	Donors	2007	2008	IS	Citizens		
38	G4:01:Pr1:Pt4: Collecting and processing of solid wastes disposed by soum centre dwellers	9.7		10.3	1.0			89.7	8.7	Donors	2007	2008	SF	Citizens		
Total		1365.6			65.8		951.4		348.4							

Remarks: SF – Searching funding; FA – Funding available; IS – Implementation started

5.5. Project Prioritization Matrix

Rank	No	Project title and code	Hard (H), Soft (S)	Most Significant	More Significant	Significant
1	33	G4:01:Pr1:Pt1: 30 km improved road that connects Tsetserleg (aimag centre) and Zaankhoshuu (Ikhtamir centre)	H	15	4	
2	38	G4:01:Pr1:Pt4: Collecting and processing of solid wastes disposed by soum centre dwellers	H	14	5	
3	1	G1:01:Pr1:Pt1: Extended community participation in protection of natural water sources	S	12	8	
4	35	G4:02:Pr1:Pt1: Development of general development plan of the soum centre	S	12	6	
5	3	G1:02:Pr1:Pt1: Developing a soum program "Pasture co-management based on herders' groups and grazing associations"	S	11	9	1
6	27	G3:03:Pr1:Pt1: Development of a soum tourism development business plan	S	10	8	1
7	4	G1:02:Pr1:Pt2: Undertaking a hydrological survey and mapping of resources for improved pasture water	S	10	7	1
8	22	G3:01:Pr1:Pt4: Development of a soum program "Improvement of the quality of stud male stock"	H	9	10	
9	8	G2:02:Pr1:Pt1: Upgrading of equipment and facilities of the soum hospital	H	9	9	2
10	14	G2:04:Pr1:Pt2: Set up a mobile phone service networking for rural bags and herding communities	H	9	8	2
11	6	G2:01:Pr1:Pt2: "Skilled teachers – Qualitative education"	S	8	11	2
12	36	G4:02:Pr1:Pt2: Upgrading of soum centre streets and reconstructing lights	H	8	10	
13	19	G3:01:Pr1:Pt1: Developing a model of integrated livestock and crop farming	H	8	10	1
14	11	G2:03:Pr1:Pt2: Reconstruction of building of soum cultural centre and upgrade its facilities	H	8	10	2
15	37	G4:02:Pr1:Pt3: Reconstruction of the Demid Janjin square at soum centre	H	8	9	1

Rank	No	Project title and code	Hard (H), Soft (S)	Most Significant	More Significant	Significant
16	2	G1:01:Pr1:Pt2: Rehabilitation of heavily damaged pine and birch forests	H	6	13	2
17	24	G3:02:Pr1:Pt2: Holding fair/s of soum best products each year	S	6	12	1
18	18	G2:06:Pr1:Pt2: Soum program of supporting livelihood of vulnerable groups	S	6	12	1
19	29	G3:03:Pr1:Pt3: Extending involvement of herders in "Ger-to-Ger Tourism Scheme"	S	6	12	2
20	21	G3:01:Pr1:Pt3: Development of a soum program of increased production and processing of animal feed	S	6	10	2
21	30	G3:03:Pr1:Pr4: Set up a zoned tourist service	H	6	11	1
22	34	G4:01:Pr1:Pt2: Connecting the centre of Bort bag to the central electricity grid	H	6	10	3
23	32	G3:04:Pr1:Pt2: Support establishing a united trading and communal service center by allocating spaces in a building that owned by local government	H	6	9	4
24	28	G3:03:Pr1:Pt2: Rehabilitation of ancient craft on Taikhar Rock	H	6	7	6
25	26	G3:0r2:Pr1:Pt4: Design and implement a soum program "Partnerships for Development"	S	6	6	7
26	17	G2:06:Pr1:Pt1: Introduction of locally-applicable social welfare service management scheme	S	5	13	1
27	7	G2:01:Pr1:Pt3: Establishing a centre for professional training and information	S	5	11	2
28	15	G2:05:Pr1:Pt1: Improvement of housing of soum civil servants	H	5	10	4
29	16	G2:05:Pr1:Pt2: Introducing an mortgage credit for improved housing for soum citizens	S	5	9	6
30	13	G2:04:Pr1:Pt1: Extension of post services to rural population	H	4	13	2
31	20	G3:01:Pr1:Pt2: Initiate a soum movement "Subsidiary farming to households"	S	4	12	2
32	31	G3:04:Pr1:Pt1: Open up a specialized food market	H	4	12	3

Rank	No	Project title and code	Hard (H), Soft (S)	Most Significant	More Significant	Significant
33	12	G2:03:Pr1:Pt3: Holding festival of folk culture and public sport	S	4	10	5
34	23	G3:02:Pr1:Pt1: Survey on marketability and processing of soum-produced agricultural products and raw materials	S	3	15	1
35	5	G2:01:Pr1:Pt1: Reconstruction of buildings of soum secondary school and kindergarten and upgrading their facilities	H	3	14	2
36	10	G2:03:Pr1:Pt1: Establishing a complex sport centre	H	3	13	4
37	9	G2:02:Pr1:Pt2: Improvement of working conditions of bag medical doctors	S	2	14	3
38	25	G3:02:Pr1:Pt3: Making a resource mapping of mining deposits and construction materials	S	2	14	5

Method for project prioritization

The projects included in the soum LED strategy were ranked by the stakeholders using three main criteria: most significant, very significant and significant. In order undertake the ranking of the projects, 21 members of both of the Planning Commission and Working groups as well as the soum core teams were given the list of the projects. The main procedural stages of the prioritization of the projects were:

- Stage 1: Sort the projects by the stakeholders by their economic importance as hard (H) and soft (S)
- Stage 2: Assess the project by the stakeholders how they are significant
- Stage 3: Aggregate the findings of the stage 2 according to the criteria applied and calculate the average scores
- Stage 4: Rank the projects by listing down based on the scores: from high scores to low
- Stage 5: Make a project prioritization matrix

5.6. Local Business Promotion Directions

No 1 National Dressmaking

Short Description: Launch a shop for making national Mongolian costumes (deels, jackets and others) and various styles designed for different purposes.

Contact Organization & Person: L.Dolgormaa, Taikhar bag, Ikhtamir soum. Tel: 99336889

No 2 Tamir White Dairy Curd

Short Description: A dairy curd made of pure yak milk is well known to consumers of the aimags and Ulaanbaatar as "Tamir White Curd". The curd awarded a title "Regional Brand Product" in 2006. Needs are to increase the annual production of the curd, especially in winter when the demand of dairy products peaks up. There is a need to set up a mechanized shop for making the curd equipped with packing and storage facilities.

Contact Organization & Person: Dr.V.Dagviikhorol, High Mountain Research Station, Ikhtamir. Tel: 99780561

No. 3 Pure Water

Short Description: Bottling water of a hot mineral water to sell to domestic and other markets

Contact Organization & Person: G.Lkhagvasuren, "Shine Urguu" LLC, Ikhtamir. Tel: 99768435

No. 4 Processing of Plastics

Short Description: A shop for processing to recycle different plastics: bags and other less used plastic-made items. The project will result in reduced wastage of plastics.

Contact Organization & Person: E.Narangerel, Taikhar bag, Ikhtamir. Tel: 99932305

No. 5 Tree Planting and Fruit Growing

Short Description: A campaign to plan trees and grow fruits will be organized to:

- Make jam and other kinds of fruit-based products for household consumption
- Improve the complexion of the soum centre
- Contribute to the restoration of willow forest along the basins of Tamir river

Contact Organization & Person: D.Narantuya, Taikhar bag, Ikhtamir. Tel: 99791548

No. 6 Tree Nursery

Short Description: Set up a tree nursery in Ikhtamir soum to sell to individual households and organizations and supply for the reforestation purposes. The nursery will be used as protective belt for growing fruit bushes and forage crops.

Contact Organization & Person: G.Lkhagvasuren, "Shine Urguu" LLC, Ikhtamir. Tel: 99768435

No. 7 Brick Making

Short Description: Establish a shop for making construction bricks using locally available sources and materials for local demand.

Contact Organization & Person: S.Nyamtseren, Taikhar bag, Ikhtamir. c/c 0133226504

No. 8 Public Bath & Sauna

Short Description: There is no bath in Ikhtamir soum. In order to fill up this gap, launch a public bath with a sauna in the soum centre and possibly in Bort bag.

Contact Organization & Person: N.Jarantai, Taikhar bag, Ikhtamir. Tel: 99709922

No. 9 Skin Processing

Short Description: Buy skins from local people and process into leather for making Mongolian national boots. Possible creation of new jobs and income-generation for local people with emphasis on unemployed and poor women of women-headed families.

Contact Organization & Person: D.Dagdan, Taikhar bag, Ikhtamir. Tel: 99935793

No. 10 Marmot

Short Description: Raise population of marmots in Bugat bag by re-introducing marmots captured from other areas in the soum. This will help protecting the indigenous population of marmots, which has been substantially reduced in numbers because of uncontrolled massive hunting over the last 10 years.

Contact Organization & Person: D.Batbaatar, herder, Erdenetolgoi bag, Ikhtamir. Tel: 99891108

No. 11 Electronic Repair Shop

Short Description: Increased use of electronics such as TV, players and other home utilities urges to set up a repair shop that provides on-site service to the soum people.

Contact Organization & Person: D.Sonombayar, Taikhar bag, Ikhtamir. Tel: 99661185

No. 12 Car Repair Shop

Short Description: Our soum is located across the main and busy roads to and from western aimags. There are no services available unless one gets the city of Tsetserleg the aimag centre. There has been a strong trend to increase not only the number of cars but also the types. The second hand light cars are less suited to the local roads and easily break. Thus, some local machinations and drivers have been discussing an idea to set up a car repair shop in the soum centre. The shop will be accessible to tourist cars and other heavy lorries

Contact Organization & Person: M.Lkhamragchaa, Taikhar bag, Ikhtamir. Tel: 99873925

No. 13 Mongol Nuts

Short Description: The forests in Ikhtamir soum are rich in delicious nut trees. In some years, people collect nut until next summer. The nuts collected are sold to the middlemen at the markets in the aimag centre and Ulaanbaatar with huge amount transportation and operational costs. Therefore, a shop for the cleaning and packing of nuts locally should be should be set up.

Contact Organization & Person: B.Lusmaa, chairman, Ikh Zuuch cooperative, Ikhtamir

No. 14 Natural Restoration

Short Description: Implement community-based protection of natural resources and conservation of green areas.

Contact Organization & Person: B.Tungalag, Environment protection inspector, Ikhtamir

No. 15 Chalk workshop

Short Description: Establish a local processing of chalk rocks to produce construction materials for needs of the soum.

Contact Organization & Person: D.Dagdan, Taikhar bag, Ikhtamir. Tel: 99935793

No. 16 Semi-processed Food

Short Description: Due to poor development of processing SME, many food items are imported from the aimag centre and Ulaanbaatar. In such conditions, promoted development of food processing SMEs would be a significant input for the better supply of semi-processed to local needs.

Contact Organization & Person: B.Lkhagvasuren, Taikhar bag, Ikhtamir.

No. 17 Vegetable growing on protected soil

Short Description: Growing and supply of early maturing vegetables under the harsh climatic and natural conditions will be important to satisfy local demand in fresh vegetables.

Contact Organization & Person: D.Punsalmaa, Taikhar bag, Ikhtamir.

No. 18 Vegetable Processing

Short Description: The increased engagement of many people and groups of people entail increased outputs of various types of vegetables. Shortage of reliable and well-equipped warehouses and storage facilities urges local businesses to think about establishing processing facilities so that locally grown vegetables are optimally used for household consumption and sold to shops in the soum centre for the access by herders and other rural consumers.

Contact Organization & Person: D.Delgermaa, Erdenetolgoi bag, Ikhtamir. Tel: 99872944

No. 19 Construction Repair Shop

Short Description: The closest location of Ikhtamir soum to the aimag centre allows some citizens to find jobs, where repair of building is kept going year around. Therefore, the local businesses agreed to set up a team for the repair of constructions in both soum and other locations.

Contact Organization & Person: J.Sarantsetseg, Ikhtamir

No. 20 Restoration Room

Short Description: The soum elders and aged people claim that they would be more useful if they were provided with a place where they can exercise.

Contact Organization & Person: Ts.Jarantai, Ikhtamir. Tel: 99709927

No. 21 Construction Blocks

Short Description: One of the potential business people of Ikhtamir can engage is production of construction materials for demands of the soum as well as aimag centre. The volcanic rocks and huge deposits of fine gravels and sand are excellent materials for making construction blocks, which can be used in a similar way as bricks.

Contact Organization & Person: Ch.Shagdarjav, Ikhtamir, Tel: 99932355

No. 22 Hotel

Short Description: Thanks to the good location and wonderful natural beauty, Ikhtamir has been one of the most visited soums. Unfortunately, no comfortable and reasonably priced hotels exist. Therefore, launching hotel/s will be a significant input to the improved tourism development.

Contact Organization & Person: D.Chimgee, Ikhtamir. Tel: 99806969

No. 23 Ice Cream Making

Short Description: Creation of new jobs is equally important as poverty reduction and SME development. Milk is available in summer more than enough. Ice making would be one of the efficient ways of the use of milk and other dairy products.

Contact Organization & Person: D.Tuvshintungalag, Ikhtamir. Tel: 99324567

No. 24 Otor Ger

Short Description: Make otor ger for local herders so that loads can be lighter load when they go for grazing in distant less accessible pastures

Contact Organization & Person: D.Khenmedekh, Erdenetolgoi bag, Ikhtamir. Tel: 9947024

5.7. Project Fiches

№1	Project: G1:O1:Pr1:Pt1: Extended community participation in protection of natural water sources	Program: G1:O1:Pr1: Protect forest and water resources
<p>Short Description: Due to the uncontrolled and unregulated use of the sources of open water without protection and restoration through encouraged concentration of large numbers of animals that pollute and destroy waters associated with the continued droughts and dryness over all seasons of the year, many springs and creeks dry up making the supply of water to humans and animals even worse ever before. The only option for the time-being, mobilization of local users towards resource-saving and protection of limited sources would be essential. In the view of this, the soum stakeholders initiate a project, which aims at promoting herders, herders' groups as well as citizens/entities for the protection of the headwaters by fencing, restoring hand wells and equip with labor-saving water lifters. This would help not only improving rational use of water sources for both drinking and animal watering and optimize use of pasture and other grazing resources, based on the viable cooperation between public and private stakeholders.</p>		
<p>Expected Results:</p> <ul style="list-style-type: none"> The protection and safe use of the water sources with the participation of the users created and attained Potentials for the introduction of a water supply integrated with the utilization of measures of rehabilitation and rotational grazing 		<p>Target Groups:</p> <ul style="list-style-type: none"> Herders and herders' groups SGO
<p>Potential Stakeholders to Participate:</p> <ul style="list-style-type: none"> Herders and other users (citizens/entities) SGO 		<p>Potential Contributors:</p> <ul style="list-style-type: none"> Herders Central Government Donors
<p>Preconditions:</p> <ul style="list-style-type: none"> Water sources registered and status of the contemporary use determined 		<p>Risk Factors: None</p>
<p>Estimated Budgets, million MNT:</p>		<p>33.4</p> <ul style="list-style-type: none"> Material costs – 5.0 Equipment and facilities – 9.0 Training costs – 4.0 Training materials and handouts – 2.0 Labor costs – 1.0 Rehabilitation costs – 12.4
Local Sources:	Central Budgets:	Donors:
1.0	0.40	32.0
<p>Contact Organization and Person: SGO</p>		
<p>Implementation Period: 3 years</p>		<p>Impact Period: One year after the project completed</p>

№.2	Project: G1:O1:Pr1:Pt2: Rehabilitation of heavily damaged pine and birch forests	Program: G1:O1:Pr1: Protect forest and water resources
<p>Short Description: Frequent forest fires and poorly-managed logging and use for firewood results in significant depletion of the density of the coniferous and leaf forests and diminishes its ability to recover naturally. The willow forests along the basins of Tamir river has badly affected by the continued droughts and are drying in a significant volume. These negative events are a warning of the crucial ecological changes the soum may face in the nearest future. The project will therefore aim at undertaking a survey on the identification of possible ways for the taking those portions of the woodlands under community-based protection with the involvement of local communities and donors, and launching stage-based arrangement to implement and scale up potential measures. The attained forest protection will, therefore assist in natural restoration of the water sources and keep without further depletion, and conserve the natural beauty of forested areas.</p>		
<p>Expected Results:</p> <ul style="list-style-type: none"> • Identification of the basic and subsidiary policy issues of the forest utilization and protection of forests. • Launched organizational measures for the restoration of damaged and poorly-utilized forested lands. • Ways to promote and organize communities towards better and sustainable forest protection 		<p>Target Groups:</p> <ul style="list-style-type: none"> • SGO • Soum citizens • Herders' groups
<p>Potential Stakeholders to Participate:</p> <ul style="list-style-type: none"> • Local government • Nature and environment protection • NGOs 		<p>Potential Contributors:</p> <ul style="list-style-type: none"> • Citizens and entities • Central government • Donors
<p>Preconditions:</p> <ul style="list-style-type: none"> • Willingness of local communities and government to protect the forest resources 		<p>Risk Factors:</p> <ul style="list-style-type: none"> • Insufficient financial source • Droughts and fires • Illegal logging and timberworks
<p>Estimated Budgets, million MNT:</p>		<p>20.0</p> <ul style="list-style-type: none"> • Material costs – 9.0 • Transportation, communication and electricity – 3.6 • Labor costs – 2.0 • Survey costs – 3.0 • Purchase of seedlings and other planting materials – 2.4
Local Sources:	Central Budgets:	Donors:
	2.4	17.6
<p>Contact Organization and Person: SGO</p>		
<p>Implementation Period: A survey will be undertaken in 2009, that would enable implementation of necessary actions annually</p>		<p>Impact Period: The outcome will be attained from the 2nd year following the completion of the project</p>

№3	Project: G1:02:Pr1:Pt1: Developing a soum program "Pasture co-management"	Program: G1:02:Pr1: Improved grazing management
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Short Description: The design of a soum program outlining the measures on the implementation of new forms of organization and arrangement of co-management for the protection, restoration and optimal/proper use of pasture and other grazing resources based on the herders' groups and neighborhoods is the main agenda of the proposed project. The project will result in improved participation of the grazers in the managing pasture through seasonal and rotational grazing and introduction of other efficient forms of improvement of grass growth and improved livestock productivity. In its turn, the improved productivity will support better income and livelihoods of herding population and serve as good initiative for rural poverty reduction.

Expected Results: <ul style="list-style-type: none"> • Strengthening potentials and commitment towards better management of pasture. • The introduction of new and efficient forms of co-management of pasture and other resources • A community-based pasture use map produced • Implementation of community-based measures on protection and restoring pasture. 		Target Groups: <ul style="list-style-type: none"> • Herders, livestock keepers • SGO
Potential Stakeholders to Participate: <ul style="list-style-type: none"> • SGO • Herders and herders' groups • Land officer 		Potential Contributors: <ul style="list-style-type: none"> • Herders and herders' groups • SGO • Donors
Preconditions: <ul style="list-style-type: none"> • Professional guidelines and supervision could be provided by the High mountain research station based in the soum • Herders and other groups of users trained and their awareness updated. 		Risk Factors: <ul style="list-style-type: none"> • Natural risks • Violations of laws and regulations
Estimated Budgets, million MNT:		20.0 <ul style="list-style-type: none"> • Transportation, communication and electricity – 3.5 • Labor costs – 2.0 • Training – 4.0 • Information and public awareness promotion – 4.0 • Design – 3.0 • Survey and observation – 3.5
Local Sources	Central Budgets	Donors
	10.0	10.0
Contact Organization and Person: SGO & the High mountain research station		
Implementation Period: 6 years		Impact Period: The impacts will be utilized soon after the project launched

No.4	Project: G1:O2:Pr1:Pt2: Undertaking a hydrological survey and mapping of resources for improved pasture water supply	Program: G1:O2:Pr1: Improved grazing management
<p>Short Description: With the impacts of droughts and continued dryness becoming more severe, relying on open surface water sources for water supply becomes less sustainable. Therefore, the soum community needs to initiate and implement project for the better use of underground water resources through rehabilitation of existing and the drilling of new deep wells. To achieve this, a hydrological survey must be conducted to identify and map the areas for drilling deep wells and existing wells to be rehabilitated. This project is to be implemented in a close integration with the project: G1:O1:Pt1:Pr1. The findings of this survey and the soum underground water resource map will be exploited as a background material for the planning and reference for the secured use, possession and co-management of pasture as well as for the improvement of the supply of drinking and animal water.</p>		
<p>Expected Results:</p> <ul style="list-style-type: none"> • Production of a map of underground water resources. • The extension of possibilities for the implementation of measures on pasture improvement and upgrading pasture water supply in an integrated arrangement. 		<p>Target Groups:</p> <ul style="list-style-type: none"> • Herders and herders' groups • SGO
<p>Potential Stakeholders to Participate:</p> <ul style="list-style-type: none"> • Herders and citizens • SGO 		<p>Potential Contributors:</p> <ul style="list-style-type: none"> • SGO • Central government • Donors
Preconditions: None		Risk Factors: None
Estimated Budgets, million MNT:		<p>4.5</p> <ul style="list-style-type: none"> • Transportation, communication and electricity – 3.0 • Developing design – 0.5
Local Sources	Central Budgets:	Donors:
	1.5	3.0
Contact Organization and Person: SGO		
Implementation Period: 6 months		Impact Period: One year after the project completed

№5	Project: G2:O1:Pr1:Pt1: Reconstruction of buildings of soum secondary school and kindergarten and upgrading their facilities	Program: G2:O1:Pr1: Upgrade the capacity of soum schooling service
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Short Description: It is envisioned that improved performance of the secondary school and kindergarten is a key to strengthening the continuity of the secondary education in the rural areas. It is a vitally important area of the public service by the rural administration. The existing kindergarten was constructed in the 1970s and no capital further capital investment or upgrading has been made since, and the roof and floors of the building have been badly damaged and the walls of classrooms and restrooms are broken. If the school becomes unusable, it would cause a serious discontinuity to the all pre-school program. Uncomfortable conditions of the secondary school and dormitories are to be important for the insufficient delivery of the service. Additionally, the number of pupils per class exceeds the national standard forcing the school to run 3 shifts a day, which has become a problem in all primary classes from 1 to 4th. The goals of project are to repair the school and dormitory buildings, which will enable the opening of new classes, reduce the shifts to a normal level, and improve the overall success of the pupils.

Expected Results: <ul style="list-style-type: none"> An increase in the quality of services for pre- and secondary school and the availability of classrooms for the primary year pupils. An improvement to the conditions for the schooling and success of the pupils. A decrease in the exceeded number of shifts and time and possibilities for the self-educating of teachers and other staff. 		Target Groups: <ul style="list-style-type: none"> SGO Secondary school and kindergarten Staffs and children of pre- and secondary school
Potential Stakeholders to Participate: <ul style="list-style-type: none"> SGO Secondary school and kindergarten 		Potential Contributors: <ul style="list-style-type: none"> SGO Central government Donors
Preconditions: <ul style="list-style-type: none"> The overall volume of capital remount and upgrading determined 		Risk Factors: None
Estimated Budgets, million MNT:		24.4 <ul style="list-style-type: none"> Material costs – 8.0 Reconstruction costs – 12.0 Labor costs – 3.6 Design – 0.8
Local Sources:	Central Budgets:	Donors:
0.8	0.6	23.0
Contact Organization and Person: SGO		
Implementation Period: One year in non-schooling period		Impact Period: Impacts will be evident soon after the project implemented

№6	Project: G2:O1:Pr1:Pt2: "Skilled teachers – Qualitative education"	Program: G2:O1:Pr1: Upgrade the capacity of soum schooling service
Short Description: The soum has a full secondary school at the soum centre and a primary school at Khan–Undur bag. These schools face a shortage of professional teachers, which negatively reflects on the overall success of the pupils. In general, a shortage of talented and professional teachers badly affects the overall progress in the performance of the schoolchildren. This shortage requires that the school hire people of non–pedagogical backgrounds and those who attend short–term courses to run some key subjects. There are cases that good teachers flee to aimag centre and other places because of unacceptable living and working conditions. Assuming that provision of improved conditions for the teachers to live and work and various supports that makes the living better would significantly improve their performance. Therefore, the soum stakeholders suggest a project, which aims at developing and implementing a soum midterm program for the provision of versatile support to the teachers of soum schools to keep them, working for the soum society with the commitment to devote their capacities. The implementation of this project has its roots in the concepts and main activities of other projects such as G2:O1:Pr1:Pt1: Reconstruction of buildings of soum secondary school and kindergarten and upgrading their facilities" and "G2:O5:Pr1:Pt1: Improvement of housing condition of civil servants".		
Expected Results: <ul style="list-style-type: none">• Implementation of a policy for the soum authorities to improve the staffing of the schools and ensuring better conditions for the teachers' lives and work.• Achieving progresses and positive changes in the performance of the pupils and teachers.• Basis for the solving social problems school teachers face will be created		Target Groups: <ul style="list-style-type: none">• SGO• School teachers• School children
Potential Stakeholders to Participate: <ul style="list-style-type: none">• Secondary and primary schools• SGO		Potential Contributors: <ul style="list-style-type: none">• SGO• Central government• Donors
Preconditions: A social survey to assess the needs and demands of teachers conducted and information, data and other reference materials needed for the designing the program gathered and analyzed		Risk Factors: None
Estimated Budgets, million MNT:		10.5 <ul style="list-style-type: none">• Equipment & facilities – 7.0• Labor costs – 2.5• Training – 1.0
Local Sources:	Central Budgets:	Donors:
2.0	0.5	8.0
Contact Organization and Person: SGO		
Implementation Period: 6 months		Impact Period: Impacts will be evident soon after the project implemented

№.7	Project: G2:O1:Pr1:Pt3: Establishing a centre for professional training and information	Program: G2:O1:Pr1: Upgrade the capacity of soum schooling service
Short Description: The project will aim at creating possibilities for the improved availability of skilled labor for the soum businesses through training and skill-updating activities designed for the unemployed and low educated people to improve professional skills of the children and youths, and delivery of information to the businesses.		
Expected Results: <ul style="list-style-type: none"> • Creation of possibilities for the running a professional and skill-updating training in the soum. • Secured constant supply of business information. • Development of a program for the training and other activities. • The provision of information delivery and dissemination facilities. 		Target Groups: <ul style="list-style-type: none"> • SGO • Businesses • Unemployed people
Potential Stakeholders to Participate: <ul style="list-style-type: none"> • SGO • Business development office • Cultural centre 		Potential Contributors: <ul style="list-style-type: none"> • SGO • Project implementing agencies • Donors
Preconditions: <ul style="list-style-type: none"> • Business development office established • Local demand in professional labor identified and training programs developed 		Risk Factors: None
Estimated Budgets, million MNT:		2.4 <ul style="list-style-type: none"> • Equipment & premises – 1.8 • Transportation, communication and electricity – 0.6
Local Sources	Central Budgets:	Donors:
	0.6	1.8
Contact Organization and Person: SGO		
Implementation Period: from 2007		Impact Period: Impacts will be evident in the first year after the completion of the project

№ 8	Project: G2:02:Pr1:Pt1: Upgrading of equipment and facilities of the soum hospital	Program: G2:02:Pr1: Upgrade conditions for the delivery of health service
<p>Short Description: In addition to the already large indigenous population of the soum, many immigrants from other western aimags arrive to settle in the soum. This adds more people seeking health services and loads for the soum health service. Ikhtamir hospital is one of those hospitals in other soums, which has had no reconstruction of basic equipment and facilities because of lack of financial sources. Resulting from the natural and mechanical growth of the soum population, there is a strong trend to increase incidents of various diseases and illnesses among both the adult population and vulnerable groups such as children and elders. This trend calls for a serious attention to be paid. This project will improve and upgrade medical equipment and facilities in the soum hospital.</p>		
<p>Expected Results:</p> <ul style="list-style-type: none"> • Implementation of a sequenced upgrading of basic and supplementary equipment and facilities of the soum hospital • Improved health services for the all portions of the soum population. • Upgrading the quality of service and commitment and professional capacity of workers of the hospital. 		<p>Target Groups:</p> <ul style="list-style-type: none"> • SGO • Soum hospital • Soum population
<p>Potential Stakeholders to Participate:</p> <ul style="list-style-type: none"> • Soum hospital • SGO 		<p>Potential Contributors:</p> <ul style="list-style-type: none"> • SGO • Central government • Donors
<p>Preconditions:</p> <ul style="list-style-type: none"> • Survey on needs of upgrading the soum hospital undertaken 		<p>Risk Factors: None</p>
<p>Estimated Budgets, million MNT:</p>		<p>13.0</p> <ul style="list-style-type: none"> • Reconstruction costs – 3.0 • Material costs – 1.0 • Transportation, communication and electricity – 0.5 • Labor costs – 0.5
Local Sources	Central Budgets	Donors:
		13.0
<p>Contact Organization and Person: SGO</p>		
<p>Implementation Period: 4 years</p>		<p>Impact Period: Impacts will be evident in one year after the completion of the project</p>

№ 9	Project: G2:02:Pr1:Pt2: Improvement of working conditions of bag medical doctors	Program: G2:02:Pr1: Upgrade conditions for the delivery of health service
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Short Description: The overwhelming portion of the soum population or 1200 herding households live in 5 rural bags. Although a medical doctor works in each bag for many years, they have lacked suitable places for medical examinations and primary treatments. For this reason, the doctors tend to stay at the soum centre leaving little or no access to medical services for the rural poor. If special facilities for medical services are made available in the bags, the doctors will stay at their bags delivering the most needed service in a timely and efficient manner. At the same time, improved service in the bags will significantly reduce the load the hospital in the soum centre. The implementation of the project will contribute the improved availability of the health service. This project should be implemented in a close integration with a project "G2:02:Pr1:Pt1: Upgrading of equipment and facilities of the soum hospital". It is desirable that these two projects are to be well integrated but implemented separately.

Expected Results: <ul style="list-style-type: none"> An increase in working conditions of bag doctors and an improvement in their performance An improvement in the operations of medical assistance to, and the access of the health services, by rural people A reduction in the costs by both the soum health service and by rural people 		Target Groups: <ul style="list-style-type: none"> SGO Soum hospital Bag citizens
Potential Stakeholders to Participate: <ul style="list-style-type: none"> Soum hospital SGO 		Potential Contributors: <ul style="list-style-type: none"> SGO Central government Donors
Preconditions: <ul style="list-style-type: none"> Spaces which are to be upgraded for the working place of bag doctors identified 		Risk Factors: None
Estimated Budgets, million MNT:		5.0 <ul style="list-style-type: none"> Equipment and facilities – 10.0 Transportation, communication & electricity – 1.0 Training – 1.5 Information and public awareness promotion – 0.5
Local Sources:	Central Budgets:	Donors:
1.0		4.0
Contact Organization and Person: SGO		
Implementation Period: 4 years		Impact Period: Impacts will be evident in one year after the completion of the project

Nº 10	Project: G2:O3:Pr1:Pt1: Establishing a sport centre	Program: G2:O3:Pr1: Promote development of culture and public sport
<p>Short Description: The key duty of the soum government is to introduce a healthy lifestyle among the soum population and provision of all necessary support to the active and productive leisure of the people. One of key areas, which could assist achieving this goal, is to have a good sport center. Currently, the soum simply lacks special spaces and facilities for sport and public physical development. This results in unproductive spending valuable time and increased violation of social order and occurrence of crime and unlawful actions among young people. Although there is a great demand, the sport hall in the school, which is, the only in the soum has been badly out-dated and does not meet demand of the people. In this connection, the government of the soum is strongly urged to seek all possibilities to implement a project that will create an environment to encourage people to apply various sports and health-supporting physical exercises.</p>		
<p>Expected Results:</p> <ul style="list-style-type: none"> Increased potential for the soum people to be involved in various sport and public activities. Creation of conditions of soum athletes to get proper training and exercise to represent and compete at aimag and national sport arenas. Increased possibilities for the children and youths to spend heir spare time culturally and productively. Strengthening the health of people through proper sporting become possible 		<p>Target Groups:</p> <ul style="list-style-type: none"> SGO Soum hospital Soum citizens and athletes
<p>Potential Stakeholders to Participate:</p> <ul style="list-style-type: none"> Soum hospital SGO 		<p>Potential Contributors:</p> <ul style="list-style-type: none"> SGO Donors
<p>Preconditions:</p> <ul style="list-style-type: none"> High commitment and willingness of people associated with the demand 		<p>Risk Factors: None</p>
<p>Estimated Budgets, million MNT:</p>		<p>24.0</p> <ul style="list-style-type: none"> Construction – 18.0 Equipment and premises – 4.0 Labor costs – 2.0
Local Sources	Central Budgets	Donors
5.0	3.0	16.0
<p>Contact Organization and Person: SGO</p>		
<p>Implementation Period: 2 years</p>		<p>Impact Period: In three years measurable impacts will be there which is determined by the level to which people take on the sport and physical exercises and successes of soum athletes</p>

№11	Project: G2:O3:Pr1:Pt2: Reconstruction of the soum cultural centre and upgrade its facilities	Program: G2:O3:Pr1: Promote development of culture and public sport
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Short Description: Despite partial repair by the soum government, the roof of the cultural centre, which was built by the former cooperative “Gerelt Zam” in early 1970s, has been badly out-dated that water of rain and snow freely infiltrates. The active concert hall, walls, and floor of many rooms and spaces have been broken due to shortage of finances. For this reason, the LED strategy has a project on the capital repair of the centre. Since the building of the centre is well-designed and nicely constructed, there is a good possibility to restore it as a place for many forms of public service events. Additional spaces can be made available to the small service businesses and rooms can be hired for offices of soum-based projects and NGOs. Therefore, the restoration of the centre will ensure for the soum government to activate its duty to support development-oriented measures.

Expected Results: <ul style="list-style-type: none"> • The improvement quality and availability of cultural activities • Greater space available for the soum SME businesses made. • Increased support to the civil and organizations through provision of working rooms and offices. 		Target Groups: <ul style="list-style-type: none"> • SGO • Soum citizens • Children and youths
Potential Stakeholders to Participate: <ul style="list-style-type: none"> • SGO • Cultural centre 		Potential Contributors: <ul style="list-style-type: none"> • SGO • Donors • Investors and businesses
Preconditions: <ul style="list-style-type: none"> • Active support by the soum government and soum community • High demand of soum citizens 		Risk Factors: <ul style="list-style-type: none"> • Shortage of finances
Estimated Budgets, million MNT:		25.6 <ul style="list-style-type: none"> • Reconstruction – 20.0 • Equipment & supplies – 2.0 • Transportation, communication & electricity – 1.0 • Labor costs – 1.6
Local Sources:	Central Budgets	Donors:
2.0		23.6
Contact Organization and Person: SGO		
Implementation Period: 4 months		Impact Period: Impacts are to be regular that the functioning of the centre becomes sustainable

Nº 12	Project: G2:O3:Pr1:Pt3: Holding festival of folk culture and public sport	Program: G2:O3:Pr1: Promote development of culture and public sport
Short Description: The project to be implemented as a part of the soum LED strategy will identify local talents, organize activities, advertise them to the soum public, and disseminate folk song, dance and other cultural heritage through arranging different measures to channel and spread to younger generations. It is expected that this project will be an important prerequisite for the successful implementation of the project G2:O3:Pr1:Pt2.		
Expected Results: <ul style="list-style-type: none"> Local talents in contemporary and folk arts and culture identified and their performance ability known Expansion of the scope and coverage of soum cultural activities. Improvement of the supply and availability of musical instruments and other associates 		Target Groups: <ul style="list-style-type: none"> SGO Staffs of the soum cultural centre Soum people and talents
Potential Participants: <ul style="list-style-type: none"> SGO Cultural centre 		Potential Contributors: <ul style="list-style-type: none"> SGO Citizens and entities (people who make musical instruments and other items) Donors Businesses
Preconditions: <ul style="list-style-type: none"> Local decisions to organize an annual festival made Announcements about the forthcoming project made 		Risk Factors: None
Estimated Costs, million MNT		4.0 <ul style="list-style-type: none"> Labor costs – 5.0 Training – 0.5 Information & advertisement – 0.5 Survey and promotion – 1.0
Local Sources:	Central Budgets:	Donors:
1.0	1.0	2.0
Contact Organization and Person: SGO & B.Batbayar, head, the Cultural centre. Tel: 99229819		
Implementation Period: annually from 2008		Impact Period: A continuous impact expected

№13	Project: G2:O4:Pr1:Pt1: Extension of post services to rural population	Program: G2:O4:Pr1: Promote communication and information networking
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Short Description: The significant decline of the accessibility of the post service over the last years has resulted in the irregular delivery of posts and other associated activities to the rural population, which is one of the key duties of the soum-based public service. Assuming the demand of the population in 5 rural bags in timely receiving of information and distribution of newspapers, official and private letters, the project seeks to upgrade the post service so that it can reach the designated receivers as quickly as possible. The project will have to provide simple transportation like motorcycles for quickest delivery of rural posts, and support bags to distribute already received posts and collect ones to be sent out. This will serve as an important channel for the soum government and private businesses to distribute various information to the citizens. In the framework of the project, a survey will be undertaken to identify demands in post service, needs for building human resources and material capacity, and ways/forms to mobilize rural inhabitants to participate.

Expected Results: <ul style="list-style-type: none"> Faster and more regular postal service to rural populations The expansion of access to subscription and newspapers and other posts 		Target Groups: <ul style="list-style-type: none"> Bag officials Bag herders Soum post office
Potential Stakeholders to Participate: <ul style="list-style-type: none"> SGO Soum post office 		Potential Contributors: <ul style="list-style-type: none"> SGO Soum post office Businesses
Preconditions: <ul style="list-style-type: none"> The directions of the interventions by the soum government identified Willingness and demand of bag people in quicker and operational post service 		Risk Factors: No agencies to support
Estimated Budgets, million MNT:		9.0 <ul style="list-style-type: none"> Equipment and supply – 4.0 Transport, communication and electricity – 3.0 Labor costs – 1.0 Information & advertisement – 1.0
Local Sources:	Central Budgets:	Donors:
4.0	2.0	3.0
Contact Organization and Person: The Post office, Tel: 0133226504		
Implementation Period: 3 months		Impact Period: The regulations and forms that are set up by the project will be maintained

№ 14	Project: G2:O4:Pr1:Pt2: Set up a mobile phone service network for rural bags and herding communities	Program: G2:O4:Pr1: Promote communication and information networking
Short Description: The Mobicom cell-phone service to which the soum connected in 2007 induced a great deal of interest among the rural population to access the service. Cell phones are faster and cheaper than regular telephones, and preferred widely by the rural population. The only way to meet the demand of rural people is to install more cell-phone transmitters in bags where such possibilities exist. A larger coverage of the mobile phone would enable an expanded access to the such most demanded service.		
Expected Results: <ul style="list-style-type: none"> • Extension of possibilities for the bags and herders to access mobile cell-phone service • The post service will become more efficient 		Target Groups: <ul style="list-style-type: none"> • SGO • Soum rural population, including herders
Potential Stakeholders to Participate: <ul style="list-style-type: none"> • SGO • Mobile phone service companies 		Potential Contributors: <ul style="list-style-type: none"> • SGO • Mobile phone service companies • Donors • Central government
Preconditions: None		Risk Factors: None
Estimated Budgets, million MNT:		25.6 <ul style="list-style-type: none"> • Material costs – 10.0 • Equipment and premises – 10.6 • Labor costs – 2.0 • Training – 3.0
Local Sources	Central Budgets:	Donors:
	10.0	15.6
Contact Organization and Person: SGO		
Implementation Period: 3 years		Impact Period: Extended access of the service by rural bags and herders

№15	Project: G2:O5:Pr1:Pt1: Improvement of housing of soum civil servants	Program: G2: O5:Pr1: Improve housing conditions
Short Description: A project was developed to match the need to improve the complexion of the soum centre through expanding the urbanized parts and providing opportunities to civil servants with apartments to assure their continued service. The implementation of this project will largely contribute the successful realization of some primary goals put forward under other projects such as "G2.O1.Pr1.Pt2: and "G4.O2.Pr1.Pt2. Therefore, the project will aim at building 32 apartments as a part of the government program "4000 apartments".		
Expected Results: <ul style="list-style-type: none"> Improvement of living conditions of the soum government servants Securing conditions that would guarantee the fruitful service by the government employees 		Target Groups: <ul style="list-style-type: none"> SGO The government employees
Potential Stakeholders to Participate: <ul style="list-style-type: none"> SGO 		Potential Contributors: <ul style="list-style-type: none"> SGO Central government
Preconditions: <ul style="list-style-type: none"> Issues related to allocation of land and access to infrastructures solved Sources (loans) to buy the apartments solved 		Risk Factors: Shortage of financial sources
Estimated Budgets, million MNT:		260.0 <ul style="list-style-type: none"> Building houses – 200.0 Transportation, communication & electricity – 10.0 Labor costs – 46.0 Development of design – 10.0
Local Sources	Central Budgets	Donors
	260.0	
Contact Organization and Person: SGO		
Implementation Period: 3–4 years		Impact Period: The apartments build under the project will be maintained by the dwellers

№ 16	Project: G2:O5:Pr1:Pt2: Introducing an mortgage credit for improved housing for soum citizens	Program: G2:O5:Pr1: Improve housing conditions
<p>Short Description: Despite the increased demand of people for comfortable apartments, the resources that the soum government and the citizens have are insufficient to buy the new apartments. In the view of such demand, it is proposed to implement a project that will contribute to the introduction of a mortgage loan service. This is the easiest and quickest way to settle the financial problems for those, who wish to improve their living conditions by purchasing new apartment. The project will, therefore provide a substantial amount of support to achieving the goals of three important projects as follows: "G2.O1.Pr1.Pt2:", "G4.O2.Pr1.Pt2:" and G2.O5.Pr1.Pt1:.</p>		
<p>Expected Results:</p> <ul style="list-style-type: none"> • A reliable sources for improving housing conditions made available to government employees and other citizens • The improvement of the quality of life of government employees 		<p>Target Groups:</p> <ul style="list-style-type: none"> • SGO • Government employees
<p>Potential Stakeholders to Participate:</p> <ul style="list-style-type: none"> • SGO • Banks 		<p>Potential Contributors:</p> <ul style="list-style-type: none"> • SGO • Banks • Central government
<p>Preconditions: None</p>		<p>Risk Factors: The demand of loans may exceed the supply</p>
<p>Estimated Budgets, million MNT:</p>		<p>2.8</p> <ul style="list-style-type: none"> • Training – 1.0 • Information and advertisement–1.2 • Labor and trainers – 0.6
Local Sources	Central Budgets	Donors
0.3		2.5
<p>Contact Organization and Person: SGO</p>		
<p>Implementation Period: 3–4 years</p>		<p>Impact Period: The impacts will be sustained throughout the project</p>

№ 17	Project: G2:06:Pr1:Pt1: Introduction of locally-applicable social welfare	Program: G2:06:Pr1: Community-satisfied social service
Short Description: As of 2006, 5968 people, some 86.8% of total population, are legal beneficiaries of the social welfare. The national service the soum government has been failing to deliver these services to the beneficiaries at the right time. There are problems associated with poor responsibilities of the personnel and weak working arrangements. All these urge the government to seek ways that would enable introducing a well-thought management that suits the local circumstances and a service that welcomes the beneficiaries.		
Expected Results: <ul style="list-style-type: none"> • Introduction of an efficient and less bureaucratic social welfare service 		Target Groups: <ul style="list-style-type: none"> • The vulnerable groups • Beneficiaries of social welfare • Personnel engaged in the delivery of social welfare
Potential Stakeholders to Participate: <ul style="list-style-type: none"> • SGO • Beneficiaries of social welfare 		Potential Contributors: <ul style="list-style-type: none"> • SGO • Central government • Donors
Preconditions: <ul style="list-style-type: none"> • A survey on the potentials for the improved delivery of social welfare service undertaken 		Risk Factors: None
Estimated Budgets, million MNT:		14.0 <ul style="list-style-type: none"> • Reconstruction of space – 2.0 • Equipment and facilities – 7.0 • Labor costs – 2.0 • Training – 1.5 • M & E – 0.5
Local Sources	Central Budgets	Donors
1.2	0.5	12.5
Contact Organization and Person: The core DELTA team. Tel: 99811108, 99806600		
Implementation Period: 2 years		Impact Period: The newly developed social welfare system will be attained in postproject period.

№ 18	Project: G2:06:Pr1:Pt2: Soum program of supporting livelihood of vulnerable groups	Program: G2:06:Pr1: Community-satisfied social service
<p>Short Description: According to the official thresholds, some 30% of the total soum population is regarded as poor and extremely poor, and 400 households fall into category of extremely poor. The main causes of this massive poverty are unemployment, lack of sources to engage in businesses and income earning, poor professional background, skills, weak enthusiasm and initiatives to mobilize resources and capacity. The primary objectives of the soum LED strategy are as mentioned elsewhere are to reduce poverty and unemployment. If the soum strategy is to fight these two socially determinant problems, a special set of measures that directly focus the poor and extremely poor should be realized. Otherwise, no expectation that the poor and vulnerable groups will take initiatives and work hard to escape the poverty and make measurable progresses in their living standard will be likely to become reality. It clearly shows that the local government should take the lead to develop a comprehensive and participatory program that draws the main soum policy background directives for fighting the poverty and unemployment. The soum has no experience to develop and implement such as grandiose program. Therefore, the soum stakeholders propose to conduct a study to determine the best means possible to address this issue.</p>		
Expected Results: <ul style="list-style-type: none"> • A midterm program for supporting poor and extremely poor groups • Increasing the general level of the living standard of soum citizens. 		Target Groups: <ul style="list-style-type: none"> • SGO • People and groups fallen into poor and extremely poor categories
Potential Stakeholders to Participate: <ul style="list-style-type: none"> • SGO 		Potential Contributors: <ul style="list-style-type: none"> • SGO • Donors
Preconditions: <ul style="list-style-type: none"> • Official sources and materials concerning the poverty and unemployment within the soum studied and concrete conclusions made 		Risk Factors: <ul style="list-style-type: none"> • Overcoming the mental set up and psychological setbacks
Estimated Budgets, million MNT:		4.0 <ul style="list-style-type: none"> • Labors costs – 1.0 • Training – 2.0 • Information & advertisement – 0.5 • Survey – 0.5
Local Sources	Central Budgets	Donors
1.2		2.8
Contact Organization and Person: SGO		
Implementation Period: 4 months		Impact Period: After the project, definite sets of measures and activities will be taken which would confirm on the impacts

№ 19	Project: G3:O1:Pr1:Pt1: Developing a model of integrated livestock and crop farming	Program: G3:O1:Pr1: Promote intensive livestock farming development
<p>Short Description: The proven way of making better use of rich natural resources, favorable climatic conditions and fertile soils and a close location to the markets in aimag centre and main roads is to provide support to the development of specialized farms along with the traditional pastoral production. There is good potential for integrated development of crop and livestock through cultivated animal feed production, however nothing that could be seen as a model, has done. The lack of initiatives in this area creates a strong demand for the development of a model that imitates the farming of crop and livestock in an integrated form. The project, which would cover up 10 herding households who meet a set of special eligibility criteria, will be implemented individually in close combination with other projects No1, No2, No20 and No21.</p>		
<p>Expected Results:</p> <ul style="list-style-type: none"> • A model for the integrated crop and livestock farming that suits the local conditions developed along with recommendation for future scale up 		<p>Target Groups:</p> <ul style="list-style-type: none"> • SGO • 10 herding households
<p>Potential Stakeholders to Participate:</p> <ul style="list-style-type: none"> • SGO • Herders and specialists • the High Mountain Research Station 		<p>Potential Contributors:</p> <ul style="list-style-type: none"> • SGO • Herders and farmers • Donors
<p>Preconditions:</p> <ul style="list-style-type: none"> • Land should be allocated as the existing law/s permit • The preliminary selection of the candidate households undertaken 		<p>Risk Factors:</p> <ul style="list-style-type: none"> • Weather shocks • Unfavorable terms of bank loans
<p>Estimated Costs, million MNT:</p>		<p>20.0</p> <ul style="list-style-type: none"> • Material costs – 4.0 • Equipment – 8.0 • Transportation, communication & electricity – 2.0 • Labor costs – 2.0 • Training – 2.0 • Advertisement – 1.0 • Survey and M & E – 1.0
Local sources	Central Budgets	Donors
		20.0
<p>Contact Organization and Person: Dr.V.Dagviikhorol, Director, the High Mountain Research Station, Tel: 99780561</p>		
<p>Implementation Period: 5 years</p>		<p>Impact Period: 10 farmers will harbor the impacts the project generated</p>

№ 20	Project: G3:O1:Pr1:Pt2: Initiate a soum movement "Subsidiary farming to households"	Program: G3:O1:Pr1: Promote intensive livestock farming development
<p>Short Description: Pig and poultry farming based on effective utilization of existing potentials represents one of the promising subsectors of livestock production in Ikhtamir soum as a subsistent to main livestock operations. A project, which has tasks to establish and harbor a small-scale pig (up to 5 sows) and poultry (over 50 laying hens) farm, would be the best start option for Ikhtamir soum. In the initial period, these farms will be enough to supply the markets in the aimag centre and possibly other large markets. Stable expansion of the pig and poultry farming through promotion of families and organizations interested in this exercise will result in the improved scale up and creation of a selected pedigree and breeding stock.</p>		
<p>Expected Results:</p> <ul style="list-style-type: none"> • Development of non-traditional, but well-known subsectors. • Supply of new poultry and pig products to local markets • Increase of income of herding and farm households and their livelihoods 		<p>Target Groups:</p> <ul style="list-style-type: none"> • Herders • Herders' groups
<p>Potential Stakeholders to Participate:</p> <ul style="list-style-type: none"> • SGO • Groups and households interested in those subsectors 		<p>Potential Contributors:</p> <ul style="list-style-type: none"> • SGO • Donors • Investors
<p>Preconditions:</p> <ul style="list-style-type: none"> • Organization and households interested in pig and poultry farming identified 		<p>Risk Factors:</p> <ul style="list-style-type: none"> • Effects of climate and other natural factors Low skills in non-pastoral farming
<p>Estimated Budgets, million MNT:</p>		<p>14.0</p> <ul style="list-style-type: none"> • Material costs – 12.0 • Labor costs – 1.0 • Training costs – 1.0
Local Sources	Central Budgets	Donors
2.0		12.0
<p>Contact Organization and Person: SGO</p>		
<p>Implementation Period: 3 years</p>		<p>Impact Period: The newly established pig and poultry farms will take on the impacts</p>

No 21	Project: G3:O1:Pr1:Pt3: Development of a soum program of increased production and processing of animal feed	Program: G3:O1:Pr1: Promote intensive livestock farming development
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Short Description: The severe natural and climatic changes since early 2000s have caused significant drops in the growth of pasture forage grasses and limited preparation of natural hay. Development of a soum program that guides on the improvement and cultivation of hayfields with annual and perennial forage grasses and extend the use of locally-available sources for making home-made compounded feed will be an important stimulus. The project will provide guidelines for and ensure the interactions between, other projects (No1, No2 and No20).

Expected Results: <ul style="list-style-type: none"> • Development of a soum program on improved animal fodder supply • Identification of measures for the improvement of hayfields and preparation of other kind of animal feed. • Implementation of measures for the protection of livestock from natural risks through improved fodder supply. 		Target Groups: <ul style="list-style-type: none"> • Herders • Herders' groups • Crop and haymakers
Potential Stakeholders to Participate: <ul style="list-style-type: none"> • SGO • Herders and citizens who keep livestock • Research institute 		Potential Contributors: <ul style="list-style-type: none"> • SGO • Businesses • Donors
Preconditions: <ul style="list-style-type: none"> • Hayfields mapped • Techniques for the preparation of various types of animal feed using locally-available sources developed 		Risk Factors: Droughts and heats in summer time
Estimated Costs, million MNT:		10.0 <ul style="list-style-type: none"> • Equipment & facilities – 3.0 • Transportation, communication & electricity – 4.0 • Labor costs – 2.0 • Training costs – 1.0
Local sources	Central Budgets	Donors
3.0		7.0
Contact Organization and Person: SGO		
Implementation Period: 3 years		Impact Period: Impacts will be evident in the first year following the project completed

№ 22	Project: G3:O1:Pr1:Pt4: Development of a soum program "Improvement of the quality of stud male stock"	Program: G3:O1:Pr1: Promote intensive livestock farming development
<p>Short Description: Under this project, the soum administration will develop a program to identify the directions and related actions for the integrated planning and implementation of measures for the improvement of the genetics and breed quality of soum livestock population. The results will lead to the creation of selected flocks for soum herd improvement and establishing specialized pedigree herd breeders and intensive livestock farming. The program will also cover other wide ranges of activities starting from introduction of a male exchange scheme throughout importing high-productive external breeds.</p>		
<p>Expected Results:</p> <ul style="list-style-type: none"> • Development of a program for soum herd improvement and raising selected pedigree male stock • Establishment of herders' groups and farmers engaged in pedigree male stock 		<p>Target Groups:</p> <ul style="list-style-type: none"> • SGO • Herders and livestock keepers
<p>Potential Stakeholders to Participate:</p> <ul style="list-style-type: none"> • Herders and herders' groups • SGO • Livestock breeders 		<p>Potential Contributors:</p> <ul style="list-style-type: none"> • Herders and herders' groups • SGO • Livestock breeders • Donors
<p>Preconditions:</p> <ul style="list-style-type: none"> • Herders and herders' groups willing to contribute the project identified • Soum policy on livestock development approved • Livestock specialists trained in selected and intensive livestock breeding 		<p>Risk Factors:</p> <ul style="list-style-type: none"> • Droughts and zud • Disease • Shortage of finance for expansion
<p>Estimated Budgets, million MNT:</p>		<p>25.0</p> <ul style="list-style-type: none"> • Material costs– 10.0 • Equipment & facilities– 5.0 • Transportation, communication & electricity– 6.0 • Labor costs– 2.0 • Information & advertisement– 1.0
Local Sources	Central Budgets	Donors
5.0		20.0
<p>Contact Organization and Person: SGO</p>		
<p>Implementation Period: 6 months</p>		<p>Impact Period: The newly established farmers and groups will benefit from the impacts of the project soon after it commenced</p>

№ .23	Project: G3:02:Pr1:Pt1: Survey on marketability and processing of soum–produced agricultural products and raw materials	Program: G3:02:Pr1: Develop processing SMEs
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Short Description: As of the last 5 years, the share of livestock in the soum annual GDP has been stable ranging around 90%. This is an opportunity for the soum to promote SMEs in livestock product processing through exploitation of local resources of raw materials and other processable products. Improved processing will help reduce poverty and increase income generation by livestock producers through stable purchase prices and supply of materials. The soum should have its policies in livestock processing SME development narrowly determined along with approximation where and how the new products can be sold/supplied by conducting a market survey.

Expected Results: <ul style="list-style-type: none"> • Undertaking a livestock market survey • Identification of the directions of livestock processing in junction with the potential markers • Extension of the scope of soum SME development as a source for better income and living source 		Target Groups: <ul style="list-style-type: none"> • SGO • Livestock producers • Local SMEs
Potential Stakeholders to Participate: <ul style="list-style-type: none"> • SGO 		Potential Contributors: <ul style="list-style-type: none"> • SGO • Donors
Preconditions: None		Risk Factors: None
Estimated Budgets, million MNT:		5.0 <ul style="list-style-type: none"> • Transportation, communication & electricity– 1.0 • Labor costs– 2.0 • Training costs – 1.0 • Survey & analysis– 1.0
Local Sources	Central Budgets	Donors
		5.0
Contact Organization and Person: SGO		
Implementation Period: 4 months		Impact Period: Impacts are widely available after the project finished

Nº 24	Project: G3:O2:Pr1:Pt2: Holding fair/s of soum best products each year	Program: G3:O2:Pr1: Develop processing SMEs
<p>Short Description: The goal of this project is to promote “one village – one product” movement in Ikhtamir soum so that the soum advances in the both volume and quality of local products. Another key area is to determine the soum brand products to strengthen its capacity to advertise and penetrate markets of certain products and disseminate technologies of such products to soum producers. Organizing an auction of soum brand and most marketable products would become a tool for exchange of ideas and experiences among producers to strengthen their cooperation, to attract investments and scale up local engagement in soum brand products. It will help for better marketing and promotion of SME, and increased involvement of herders in such movement.</p>		
<p>Expected Results:</p> <ul style="list-style-type: none"> • Arrangement of an annual of show-type activity • Increased cooperation and links among soum producers towards engaging in soum brand products • Improved role of herders as primary producers processing SME increased along with improved advertisement. 		<p>Target Groups:</p> <ul style="list-style-type: none"> • SGO • Local producers • Businesses
<p>Potential Stakeholders to Participate:</p> <ul style="list-style-type: none"> • SGO • Businesses • Producers 		<p>Potential Contributors:</p> <ul style="list-style-type: none"> • SGO • Herders • Businesses
Preconditions: None		Risk Factors: None
Estimated Budgets, million MNT:		<p>5.5</p> <ul style="list-style-type: none"> • Reconstruction & maintenance–1.0 • Material costs– 2.0 • Transportation, communication & electricity– 2.5 • Training costs – 0.5
Local Sources	Central Budgets	Donors
	0.3	5.2
Contact Organization and Person: SGO		
Implementation Period: from 2008, annually		Impact Period: The activity will be arranged annually so that the impacts are sustained

№ 25	Project: G3:02:Pr1:Pt3: Making a resource mapping of mining deposits and construction materials	Program: G3:02:Pr1: Develop processing SMEs
Short Description: Mapping of resources of coal, chalk rock, construction materials and other deposits found in the territory of the soum is an important starting point for the identification of prospective areas for exploitation of such resources in a strategically right order. By knowing its resources, the soum would be able to pursue local SME development policy to encourage deep processing and supply local markets. .		
Expected Results: <ul style="list-style-type: none"> • A mapping of resources of coal, chalk rock, construction materials and other deposits found on the territory of the soum completed • Updated soum policy on soum processing SME development • The capacity of the soum to participate in national and local decisions on exploitation of those resources found on its territory 		Target Groups: <ul style="list-style-type: none"> • SGO
Potential Stakeholders to Participate: <ul style="list-style-type: none"> • SGO 		Potential Contributors: <ul style="list-style-type: none"> • SGO • Donors
Preconditions: None		Risk Factors: None
Estimated Budgets: million MNT		7.0 <ul style="list-style-type: none"> • Transportation, communication & electricity– 1.0 • Labor costs– 2.0 • Training costs – 1.0 • Information & advertisement– 1.0 • Design & budget– 2.0 • Field survey & analysis– 2.0
Local Sources	Central Budgets	Donors
0.8		6.2
Contact Organization and Person: SGO		
Implementation Period: One year		Impact Period: The impacts are maintained by initiating different activities as follow ups

№ 26	Project: G3.O12.Pr1.Pt4: Design and implement a soum program "Partnerships for Development"	Program: G3:02:Pr1: Develop processing SMEs
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Short Description: The LBES concluded that activities on the establishing a sustainable cooperation and collaboration between soum administration and business at both vertical and horizontal levels and making use of it as a tool for the realization of such partnerships are being poor. The local stakeholders shared a common feeling that the issue should be regarded as an important and most demanded problem to be solved. Therefore, the project will aim at designing a program where sustainable multifunctional partnerships involving government and business are developed and determining those activities that soum government and local businesses could implement together. The program will therefore, attempt to determine the mid-term goals for the task-driving promotion of a vertical partnership on the public-private vertical cooperation and on the business collaboration at a horizontal level along with identified activities for achieving of such goals.

Expected Results: <ul style="list-style-type: none"> • A program on vertical and horizontal partnerships among local stakeholders developed • Main and goal-specific activities for the achieving the partnership development identified 		Target Groups: <ul style="list-style-type: none"> • Soum government organizations • Businesses
Potential Stakeholders to Participate: <ul style="list-style-type: none"> • Soum government organizations • Businesses 		Potential Contributors: <ul style="list-style-type: none"> • SGO • Donors
Preconditions: None		Risk Factors: None
Estimated Budgets, million MNT:		5.4 <ul style="list-style-type: none"> • Labor costs– 1.0 • Training costs – 2.0 • Information & advertisement– 1.4 • Survey & analysis– 1.0
Local Sources	Central Budgets	Donors
1.3		4.1
Contact Organization and Person: SGO		
Implementation Period: 4 months		Impact Period: One year later

№ 27	Project: G3:O3:Pr1:Pt1: Development of a soum tourism development business plan	Program: G3:O3:Pr1: Promote tourism and holiday making visits
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Short Description: As the local potentials for improved tourism are concerned, Ikhtamir is on the national main tourism road networks to and from the east and north of Zavkhan, the north of Bayankhongor and the southwest of Khuvsgul and two main aimags of the western region –Uvs and Bayan-Ulgii and it has three operating tourist camps nearby the famous Taikhar Rock. In addition, the rich historical and cultural heritages, naturally assembled beautiful places, and many other things as reflections of the locally-determinant pastoral lifestyle and customs would fully enable the soum engage in tourism with its own packages of offers. As the tourism sector is new to Mongolia, it has not been largely extended into rural areas as an opportunistic business. Thus, there is a window of opportunity for a success, if the soum makes its best efforts to develop tourism. In order to be best directed from the beginning, the soum needs to develop its business plan for soum-based tourism development.

Expected Results: <ul style="list-style-type: none"> • Development of a local business development business plan • Creation of policies that would enable local businesses and people to engage in tourism business • Diversification of incomes of local people increased and the business activities 		Target Groups: <ul style="list-style-type: none"> • SGO • Businesses • Other local people
Potential Stakeholders to Participate: <ul style="list-style-type: none"> • SGO 		Potential Contributors: <ul style="list-style-type: none"> • SGO • Donors
Preconditions: <ul style="list-style-type: none"> • A preliminary survey concerning the internal and external potentials and resources undertaken so that the basics on which the soum business plan built up 		Risk Factors: None
Estimated Budgets: million MNT		2.0 <ul style="list-style-type: none"> • Training costs – 1.0 • Survey and M & E– 1.0
Local Sources	Central Budgets	Donors
0.2		1.8
Contact Organization and Person: SGO		
Implementation Period: 8 months		Impact Period: The impacts of the project will result in an extended engagements of local businesses and people in 2–3 years after the project

№ 28	Project: G3:O3:Pr1:Pt2: Rehabilitation of ancient craft on Taikhar Rock	Program: G3:O3:Pr1: Promote tourism and holiday making visits
<p>Short Description: The "Taikhar Rock", which is well known domestically and internationally, is a 16 m high large single rock. The rock represents one of the unique historical and customary heritage sites where over 90 inscriptions and primitive drawings belonging to 10 different types dated from Khunnu Dynasty of VII BC to date are found. However, a poor care of the site by the recent generations "resulted" in overwriting 30% of the surface of the rock with unique inscriptions and drawings overwritten with different oil paints and chemicals, which have no value in terms of history and culture/customs. Therefore, to restore the primary images of the rock, the recent paintings and writings should be properly removed. The restoration of the site will be achieved through the implementation of the proposed project is an important prerequisite for taking the site under the local protection.</p>		
<p>Expected Results:</p> <ul style="list-style-type: none"> • Restoration of a unique site • A new and better attraction for tourists and visitors • Increase of soum budget revenue 		<p>Target Groups:</p> <ul style="list-style-type: none"> • SGO • Tourist operators • Archeologists
<p>Potential Stakeholders to Participate:</p> <ul style="list-style-type: none"> • Local administration • National authority for protection and restoration of historical and cultural heritages 		<p>Potential Contributors:</p> <ul style="list-style-type: none"> • SGO • Citizens and tourism businesses • Donors
<p>Preconditions:</p> <ul style="list-style-type: none"> • Archeologist/s who could key-out and secure a full restoration of the inscriptions identified • A working map of the restoration of the surrounding areas designed • A proposal for taking under the local protection designed 		<p>Risk Factors: None</p>
<p>Estimated Budgets: million MNT</p>		<p>1.8</p> <ul style="list-style-type: none"> • Reconstruction & maintenance–1.0 • Transportation, communication & electricity– 0.5 • Information & advertisement– 0.3
Local Sources:	Central Budgets	Donors:
0.6		1.2
<p>Contact Organization and Person: SGO</p>		
<p>Implementation Period: In three months after financing made available</p>		<p>Impact Period: The local protection will assure a better impact period</p>

№ 29	Project: G3:O3:Pr1:Pt3: Extending involvement of herders in "Ger-to-Ger Tourism Scheme"	Program: G3:O3:Pr1: Promote tourism and holiday making visits
<p>Short Description: Attracting foreign and domestic tourists/visitors and holidaymakers who are coming to the soum either on their own or jointly with tourism operators through promoting soum herding families to be widely involved is one of the promising ways to expand tourism in the soum and encourage local people to earn more income from non-livestock sources. The project, which is required to be implemented as separate activity will promote herding families in local tourism through (i) careful selection of households and khot ails to allow them to engage in serving tourists and visitors, and (ii) offering training and demonstrations in the basics of tourism management and making better preparation for services for tourists and visitors/holidaymakers. Ger-to-ger tourism would encourage herders to share their resources and cooperate so that they can offer better services.</p>		
<p>Expected Results:</p> <ul style="list-style-type: none"> • Expansion of opportunities for the soum herding families to engage in tourism • Increasing the number of tourists and visitors who come to enjoy herders' ger-to-ger tourism • Attaining tourism-related activities at herders' level 		<p>Target Groups:</p> <ul style="list-style-type: none"> • SGO • Herders and herders' groups
<p>Potential Stakeholders to Participate:</p> <ul style="list-style-type: none"> • SGO • Herders and herders' groups • Tourist companies and operators 		<p>Potential Contributors:</p> <ul style="list-style-type: none"> • SGO • Local businesses • Tourism companies and operators • Donors
<p>Preconditions:</p> <ul style="list-style-type: none"> • Criteria for selection of herding families to join the project developed • Eligible herding families selected/registered and their contributions to the ger-to-ger tourism scheme identified • Contacts and agreements with tourism management specialists, who can arrange training made 		<p>Risk Factors: None</p>
<p>Estimated Budgets, million MNT:</p>		<p>35.0</p> <ul style="list-style-type: none"> • Equipment & facilities– 20.0 • Transportation, communication & electricity– 7.0 • Labor costs– 3.0 • Training costs – 2.0 • Information & advertisement– 3.0
Local Sources:	Central Budgets	Donors:
25.0		10.0
<p>Contact Organization and Person: SGO</p>		
<p>Implementation Period: Preparations are made in 2007 and start in 2008</p>		<p>Impact Period: The impacts will be attained through maintaining the scheme going with more herding families</p>

Nº 30	Project: G3.O3.Pr1.Pr4: Set up a zoned tourist service	Program: G3.O3.Pr1: Promote tourism and holiday making visits
Short Description: The stakeholders suggested initiating a project that sets out the zoning and areas where specific types of services and offerings for tourists and travelers could be established. The service zoning and area development would be largely rely on the exiting historical and sightseeing sites with special emphasis on the setting up hygienic and comfortable services/ points to meet the regular and time-bound needs of tourists and visitors. In this way, the project will achieve a task to develop a local policy to create an attractive environment for tourism.		
Expected Results: <ul style="list-style-type: none"> • Identification of zoning and areas for the setting units and points specifically designed to offer comfortable and hygienic service for the tourists and identified • Improvement and diversification of the quality and safety of service offered by soum actors under the overall soum tourism development policy • Increase of potentials of the soum to attract tourists and attain them to enjoy the locally-available services expanded and income from such operations 		Target Groups: <ul style="list-style-type: none"> • SGO • Businesses • Citizens
Potential Stakeholders to Participate: <ul style="list-style-type: none"> • SGO • Tourist companies • Businesses 		Potential Contributors: <ul style="list-style-type: none"> • SGO • Tourist companies
Preconditions: <ul style="list-style-type: none"> • A preliminary survey on the accessing the national tourism routes and locally implemental activities undertaken 		Risk Factors: None
Estimated Budgets, million MNT:		2.7 <ul style="list-style-type: none"> • Training – 0.7 • Information & public awareness promotion – 1.0 • Research – 1.0
Local sources	Central Budgets	Donors
1.0		1.7
Contact Organization and Person: SGO		
Implementation Period: 8 months		Impact Period: The impacts will be sustained beginning in the same year when the project completed

№ 31	Project: G3:O4:Pr1:Pt1: Open up a specialized food market	Program: G3:O4:Pr1: Improve trading and communal service
Short Description: Short shelf live consumer products like meat and milk are sold through small desks in many small shops where it is unsafe and difficult to control the quality and hygiene of the products. Therefore, the soum government proposes to implement a project, which seeks for opportunities to repair unused spaces to open up a centralized food market for the local businesses. The implementation of this project would be beneficial to both the soum inspection officials and stakeholders to sell better products.		
Expected Results: <ul style="list-style-type: none"> Improved conditions for selling food products Improved control of the quality of and selling of food products Increase of contributions to local revenue and income 		Target Groups: <ul style="list-style-type: none"> SGO Citizens
Potential Stakeholders to Participate: <ul style="list-style-type: none"> SGO Businesses Investors 		Potential Actors: <ul style="list-style-type: none"> Donors Citizens Businesses
Preconditions: <ul style="list-style-type: none"> The spaces to devote for the market place identified The quantitative and qualitative of the products to be sold through new market identified 		Risk Factors: None
Estimated Budgets, million MNT:		35.0 <ul style="list-style-type: none"> Reconstruction – 19.0 Equipment & premises – 9.0 Labor costs – 4.0 Information & advertisement – 2.0 Survey & quality control – 1.0
Local Sources	Central Budgets	Donors
5.0	5.0	25.0
Contact Organization and Person: SGO		
Implementation Period: 6 months		Impact Period: The impacts will become stable one year later

№ 32	Project: G3:O4:Pr1:Pt2: Support establishing a united trading and communal service centre by allocating spaces in a building that owned by local government	Program: G3:O4:Pr1: Improve trading and communal service
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Short Description: The communal services for the soum inhabitants are run by small and sparsely-located units with limited capacities. The LBES concluded that the soum communal service fails to meet the demands and requirements of the soum citizens and offer stable services because of permanent spaces. Therefore, the soum stakeholders requested the soum government to look for the opportunity to make spaces available by reconstructing unused spaces in a building it owns. Bringing all services together will enable the consumers to receive the one-stop services that are under the day-to-day control by related authorities and personnel.

Expected Results: <ul style="list-style-type: none"> • Creation of a one-stop communal service that meets local demand • Stabilization of the quality of the service improved and prices 		Target Groups: <ul style="list-style-type: none"> • SGO • Businesses • Citizens
Potential Stakeholders to Participate: <ul style="list-style-type: none"> • SGO • Businesses 		Potential Contributors: <ul style="list-style-type: none"> • SGO • Businesses • Donors
Preconditions: <ul style="list-style-type: none"> • The building where spaces for local communal service made available • Costs and design approved 		Risk Factors: None
Estimated Budgets, million MNT:		18.0 <ul style="list-style-type: none"> • Construction work – 10.0 • Reconstruction – 5.0 • Material costs – 2.0 • Equipment & premises – 1.0
Local Sources	Central Budgets	Donors
6.0		12.0
Contact Organization and Person: SGO		
Implementation Period: 6 months		Impact Period: After one year

№ 33	Project: G4:O1:Pr1:Pt1: 30 km improved road that connects Tsetserleg (aimag centre) and Zaankhoshuu (Ikhtamir centre)	Program: G4:O1:Pr1: Upgrade local infrastructures
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Short Description: As described in other projects designed for the upgrading local infrastructures and tourism development, improved road networks will largely contribute to save time and offer comfortable traveling. The restoration of the roads of Tsagaan Davaa (White Pass) is an important improvement in local infrastructure. The rest of the road from the pass to the soum centre has been poorly maintained. There have made many diverted roads for large and light trucks by which the land surrounding the Taikhar Rock, the local attractive beauty for tourists and visitors has been seriously damaged. As the time goes on, the road tends to undergo to severe truck corrugations and damages by water erosion. The restoration of the road making it hard-top will be an important investment in the local economic development.

Expected Results: <ul style="list-style-type: none"> • Construction of a hard-top road connecting the city of Tsetserleg and the centre of Ikhtamir soum. • Improvement to the services that is located alongside the road. • The damage and destruction of the soil of the most beautiful area reduced and protected 		Target Groups: <ul style="list-style-type: none"> • SGO
Potential Stakeholders to Participate: <ul style="list-style-type: none"> • SGO 		Potential Contributors: <ul style="list-style-type: none"> • SGO • Central government
Preconditions: None		Risk Factors: None
Estimated Budgets, million MNT:		650.0 <ul style="list-style-type: none"> • Material costs– 500.0 • Transportation, communication & electricity– 40.0 • Labor costs– 110.0
Local Sources	Central Budgets	Donors
	650.0	
Contact Organization and Person: SGO		
Implementation Period: 2 years		Impact Period: The improved road network will result in better maintenance of the impacts of the project

№ 34	Project: G4:O1:Pr1:Pt2: Connecting the centre of Bort bag to the central electricity grid	Program: G4:O1:Pr1: Upgrade local infrastructures
Short Description: This project has two main tasks: (i) make better use of the favorable availability of the road and electricity networks that go through the soum territory, and (ii) decentralize the overconcentrated businesses (the overwhelming part of the soum businesses are situated at the soum centre) to bring some key services closer to the rural consumers. One of the possible options is to connect the centre of Bort bag to the central electricity grid.		
Expected Results: <ul style="list-style-type: none"> The centre of Bort bag connected to the central electricity grid Improvement of possibilities to re-locate, launch and diversify businesses and services to a bag and rural consumers 		Target Groups: <ul style="list-style-type: none"> SGO
Potential Stakeholders to Participate: <ul style="list-style-type: none"> SGO 		Potential Contributors: <ul style="list-style-type: none"> SGO Donors
Preconditions: <ul style="list-style-type: none"> A plan for business development after the bag centre is connected to the permanent electricity supply, developed 		Risk Factors: None
Estimated Budgets, million MNT:		10.0 <ul style="list-style-type: none"> Material costs – 8.5 Transportation, communication & electricity – 0.5 Labor costs – 1.0
Local Sources	Central Budgets	Donors
	5.0	5.0
Contact Organization and Person: SGO		
Implementation Period: 8 months		Impact Period: The conditions for the maintaining the impacts are created after the project completed

№ 35	Project: G4:02:Pr1:Pt1: Development of general development plan of the soum centre	Program: G4:02:Pr1: Upgrading soum centre
<p>Short Description: In a hope that the soum LED strategy projects concerning processing SMEs, tourism, improved market facilities, upgrading roads and streets, building new apartments and other urban development areas will come into reality, the soum stakeholders suggested to initiate a new project that will address the potential development of the soum centre based on the long-term planning. The main concept and agenda of the project is to develop a general soum centre urban development plan, which adjusts the new developments foreseen by the strategy. It is believed that the general plan would serve as the primary legal document for the improvement of the business-enabling environment.</p>		
<p>Expected Results:</p> <ul style="list-style-type: none"> • Development of a general soum centre urban development plan • Creation of a basis for the build up of the soum centre into a modern village • Creation of possibilities for the integrated soum development with the national and regional plans 	<p>Target Groups:</p> <ul style="list-style-type: none"> • SGO • Soum centre dwellers • Organizations and business enterprises 	
<p>Potential Stakeholders to Participate:</p> <ul style="list-style-type: none"> • SGO • Soum centre dwellers • Organizations and business enterprises 	<p>Potential Contributors:</p> <ul style="list-style-type: none"> • SGO • Central government • Donors • Professional authorities 	
<p>Preconditions:</p> <ul style="list-style-type: none"> • Be included in the soum LED strategy 	<p>Risk Factors: None</p>	
<p>Estimated Budgets, million MNT:</p>	<p>5.6</p> <ul style="list-style-type: none"> • Labor costs – 2.0 • Training costs – 1.0 • Information & advertisement – 1.0 • Survey & public awareness promotion – 1.6 	
<p>Local Sources</p>	<p>Central Budgets</p>	<p>Donors</p>
<p>0.6</p>		<p>5.0</p>
<p>Contact Organization and Person: SGO</p>		
<p>Implementation Period: One year</p>	<p>Impact Period: The plan will be come in effect after the project finished</p>	

№ 36	Project: G4:02:Pr1:Pt2: Upgrading of soum centre streets and reconstructing lights	Program: G4:2:Pr1: Upgrading soum centre
Short Description: There is no proper lighting in the main squares and streets, which are the location for the soum administration and public service organizations, cultural centre and service points and urban apartments. This is also an issue for the ger districts to be solved. Therefore, the soum stakeholders agreed upon the needs to implement a project for the upgrading the central streets and squares through simultaneous upgrading the lighting in both the urban and ger districts. Improved lights will contribute to the improved satisfaction and comforts for the people and protection and reduction of crime.		
Expected Results: <ul style="list-style-type: none"> Improvement and upgrading of the complexion and lighting of the soum centre Improvement of the living conditions in ger districts improved 		Target Groups: <ul style="list-style-type: none"> SGO Soum centre dwellers
Potential Stakeholders to Participate: <ul style="list-style-type: none"> Soum centre households Public and business organizations SGO 		Potential Contributors: <ul style="list-style-type: none"> SGO Soum centre households Donors and civil organizations
Preconditions: <ul style="list-style-type: none"> Link to the central electricity available 		Risk Factors: <ul style="list-style-type: none"> Poor attitude of people to the protection of the common properties
Estimated Budgets, million MNT:		9.7 <ul style="list-style-type: none"> Material costs – 4.7 Equipment & premises – 3.0 Labor costs – 2.0
Local Sources	Central Budgets	Donors
	2.0	7.7
Contact Organization and Person: SGO		
Implementation Period: One year		Impact Period: The outcomes will be efficiently used by the soum authorities and businesses

№ 37	Project: G4:02:Pr1:Pt3: Reconstruction of the Demid Janjin square at soum centre	Program: G4:02:Pr1: Upgrading soum centre
<p>Short Description: In the heart of the soum centre, where the offices of the soum Citizens' Representatives Khural and soum government is located, with their charity and contributions, the soum people built in 2000, a monument to G.Demid, the famous Mongolia's military field marshal. Since then, no targeted initiatives to upgrade the areas surrounding the monument to make the monument as an important place have been taken. Therefore, it is hard to say that the monument has been well preserved and looked after. Soum citizens have expressed their request to the soum government to re-build the areas surrounding the monument to convert it into a small park. In response to it, a proposal to design and implement a LED project has made.</p>		
<p>Expected Results:</p> <ul style="list-style-type: none"> • Restoration of the monument area and its conversion into a park • Improvement of the overall image of the central part of the soum centre 		<p>Target Groups:</p> <ul style="list-style-type: none"> • Soum citizens • Relatives
<p>Potential Stakeholders to Participate:</p> <ul style="list-style-type: none"> • SGO • Citizens and enterprises 		<p>Potential Contributors:</p> <ul style="list-style-type: none"> • SGO • Soum centre households • Donors
Preconditions: None		Risk Factors: None
Estimated Budgets, million MNT:		<p>8.7</p> <ul style="list-style-type: none"> • Reconstruction & upgrading – 1.7 • Material costs – 4.9 • Equipment & facilities – 1.3 • Labor costs – 1.0
Local Sources	Central Budgets	Donors
2.0	2.9	4.8
Contact Organization and Person: SGO		
Implementation Period: 6 months in 2007–2008		Impact Period: Soum people will take on to preserve the park

№ 38	Project: G4:O1:Pr1:Pt4: Collecting and processing of solid wastes disposed by soum centre dwellers	Program: G4:O2:Pr1: Upgrading soum centre
<p>Short Description: In addition to the all government institutions, SMEs and trade/services, 33% of the total soum population lives in the urban part and ger districts of the soum centre. All of these, with some major establishments such as the central heating system and SMEs dispose of substantial amounts of solid waste. Poor waste management by both the households and organizations have been polluting the environment around the soum centre and decimating the overall representation of the soum centre. The introduction of improved management of soum centre waste therefore has become a hot and frequently debated issue. The soum stakeholders insisted during the public consultations that the soum LED strategy should include a project to handle waste management through support small public-supported activities for the collection, transportation, disposing along with seeking for potentials for re-processing.</p>		
<p>Expected Results:</p> <ul style="list-style-type: none"> • Introduction of an efficient waste disposal • A reduction of pollution and improper waste disposal • Identification of potential re-processing of waste 		<p>Target Groups:</p> <ul style="list-style-type: none"> • Soum centre citizens • Soum organizations and enterprises
<p>Potential Stakeholders to Participate:</p> <ul style="list-style-type: none"> • Soum centre citizens • Soum organizations and enterprises • SGO 		<p>Potential Contributors:</p> <ul style="list-style-type: none"> • SGO • Businesses • Donors
<p>Preconditions:</p> <ul style="list-style-type: none"> • High wish and willingness to introduce better waste management • Willingness to contribute with animal drawn transportation 		<p>Risk Factors:</p> <ul style="list-style-type: none"> • Poor mentality and commitment among people to contribute
<p>Estimated Budgets, million MNT:</p>		<p>9.7</p> <ul style="list-style-type: none"> • Building costs – 2.0 • Material costs – 2.0 • Equipment & premises – 2.0 • Transport & electricity – 2.0 • Labor costs – 1.7
Local Sources	Central Budgets	Donors
1.0		8.7
<p>Contact Organization and Person: SGO</p>		
<p>Implementation Period: In 4 months if financing made available</p>		<p>Impact Period: Impacts are evidently known from the commencement of the project</p>